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Five Vice Presidents Meet on C.A. Parliament

PA230015 Managua Radio Sandino in Spanish 1200 GMT 22 Jan 88

[Report from Guatemala City by ANN reporter Edgar Barberena]

[Text] The five Central American vice presidents will conclude today a meeting on the Central American parliament.

During the meeting, held behind closed doors at the Camino Real Hotel, the vice presidents discussed topics such as how the regional forum will be financed and other political aspects of concern to the five Central American nations.

As we recall, yesterday Nicaraguan Vice President Sergio Ramirez delivered to his Guatemalan counterpart Roberto Carpio Nicole the document creating the Central American parliament, recently ratified by the [Nicaraguan] National Assembly. Nicaragua thus became the second Central American country to ratify the protocol for the regional forum, which will be composed of 100 legislators. Each Central American country will elect 20 representatives in pluralistic elections with the participation of all political forces.

Ramirez and his entourage will be returning to Managua today after important agreements are reached and possibly a joint declaration is signed, according to members of the Nicaraguan delegation.

At approximately 1000 today, Ramirez will also participate in a meeting of the Secretariat of Central American Economic Integration. The meeting has been called to discuss projects to be presented to the EEC at its February session in Hamburg.

While inaugurating the meeting yesterday, Guatemalan Vice President Roberto Carpio Nicolle referred to the unity achieved by the Central American presidents and governments. We now will hear part of Carpio Nicolle's speech:

[Begin recording] Central American vice presidents, distinguished members of their delegations, members of [words indistinct] of great importance for [word indistinct] in building the Central America we all long for [word indistinct]. It is important to recall how the Central American Parliament emerged. It was born as an idea that crystalized with times; the Central American vice presidents received a mandate at the Esquipulas I summit to create a preparatory commission for the Central American parliament. As you know, that commission was made up of the area vice presidents, the foreign ministers or their representatives, and parliamentarians.

The preparatory commission for the Central American parliament, comprising 25 representatives—the vice presidents and the commission—worked hard during 1986. However, 1987 was the year of the greatest achievements for the Central American parliament. I must recall that after the Esquipulas II summit, it was decided that, with regard to the Central American parliament, the preparatory commission should conclude its work and deliver a draft report to the presidents for the Esquipulas III summit. We worked with zeal and dedication based on what we had already accomplished [words indistinct] the vice presidents and the preparatory commission.

Then, on 1-2 October 1987, during a vice presidents' meeting and later at a meeting of the preparatory commission, the draft treaty for the Central American parliament was approved and signed by the 25 preparatory commission members headed by the vice presidents. Within the next 12 days, the Central American presidents signed the treaty. Naturally, we do not expect [words indistinct] until January 1988.

Significant progress was made when the Guatemalan, Nicaraguan, and Salvadoran Governments submitted the document to their respective parliaments for approval. The Guatemalan parliament approved and ratified it in December, and it thus became law in the Republic. Nicaragua has also ratified it, and today I was informed by the Nicaraguan vice president that he has brought the ratification with him and will deliver it to the Guatemalan Foreign Ministry. We are very pleased, because it represents progress for the Central American parliament. [end recording]

The Central American vice presidents expressed their willingness to hold elections to elect the members of the Central American parliament, which must take place 6 months after the last Central American country ratifies the treaty through its parliament.

We also interviewed Nicaraguan Foreign Trade Minister Alejandro Martinez Cuenca, who is accompanying Vice President Ramirez. He told us about the actions carried out by the Nicaraguan vice president in this capital:

[Begin recording] [Martinez Cuenca] As I said, yesterday the vice presidents met in private to discuss points related to the Central American parliament. A meeting was held afterward to prepare an agenda for today's meeting, where we will discuss the central points that should be included in the proposal to be presented for the Hamburg meeting, as well as the main points to be included in the proposal reflecting the agreements reached by the presidents at the Esquipulas I, II, and III summits. The presidents urged the international community to cooperate with the peace process by sending financial aid contributions to the area.

A meeting has been scheduled for today to discuss a specific plan that we hope will have the consensus of the five nations. The vice presidents will be presented with a document outlining the region's most urgent needs so the international community can contribute with economic aid to support the efforts made by the presidents participating in the three Esquipulas summits that have been held thus far.

[Barberena] Journalists covering this event have mentioned the possibility that the five vice presidents might sign a joint declaration on the economy and the Central American parliament. What can you tell Radio Sandino's audience about that possibility?

[Martinez Cuenca] Well, as you know, yesterday Vice President Ramirez delivered to the Guatemalan Foreign Ministry a document ratifying the Central American parliament following approval by the Nicaraguan National Assembly of the Central American parliament proposal presented by our comrade president.

In the field of economics, which is one of the main areas to be covered during this meeting, we hope that tomorrow-...[changes thought] during the meetings to be held today, we hope to be able to reach an agreement on the economic proposals. This would be the beginning of a process that would end at the next meeting of vice presidents, scheduled to take place soon in Nicaragua, where a final document will be drafted following the presentation of the proposal to be presented to the EEC and the international community at the Hamburg meeting.

[Barberena] Have you met with your Central American counterparts to discuss issues related to foreign trade?

[Martinez Cuenca] The Salvadoran and Guatemalan economy ministers are present, as are the Costa Rican and Honduran deputy economic ministers. We met yesterday afternoon to prepare a draft document, which was presented to the vice presidents during a meeting we held with them late yesterday. It was agreed that today's meeting would deal specifically with points leading to a series of political proposals and considerations on the part of the vice presidents. This would allow the governments to reach the right decision on the international plan, which is to be submitted to the EEC and to the international community.

The meetings we have had have centered on this topic. Today we will continue working toward achieving specific results from this vice presidents' meeting. This important document should be a call to the international community to contribute to the peace process; the five Central American presidents have agreed that such a contribution could be an important factor in the peace efforts. [end recording]

Andean Fund To Consider Expansion of Charter

PA232013 Caracas Television Service in Spanish 0000 GMT 16 Jan 88

[Excerpt] The seventh special session of the Andean Reserve Fund has decided to recommend that the governments of the member countries modify the organization's charter so as to convert the organization into a Latin American fund.

The change would permit other Latin American countries to join the institution under the same terms as the present members. Consequently, they would receive financial support for solution of their balance of payment problems.

In its present form, the organization has been in existence for the past 10 years, during which time it has given substantial financial support to all its members. At present, the Fund has a capital of $500 million. [passage omitted]

Comparison of Summit Presidents' Declaration

San Jose LA REPUBLICA in Spanish on 17 January on page 2 publishes the "text" of the referent document on the Central American presidents' joint declaration.

The LA REPUBLICA version has been compared to the Radio Reloj version published in the 19 January Latin America DAILY REPORT, page 4 and found to be identical, with the following exceptions:

Left column, paragraph four, only sentence, reads in LA REPUBLICA: ...spirit they recognize today as vital to... (adding word "today")

Right column, paragraph eight, sentence two, reads in LA REPUBLICA: ...this, it will request the cooperation of... (changing word "require" to "request")

Same column, antepenultimate paragraph, first sentence, reads in LA REPUBLICA: ...regional projects aimed at achieving Central America's socioeconomic... (rewording)

Same column, same paragraph, sentence two, reads in LA REPUBLICA: ...is because the original causes of this...(changing word "real" to "original")

Same column, penultimate paragraph, first sentence, reads in LA REPUBLICA:...and without reticence or evasions. They are aware... (rewording)

Same column, last paragraph, only sentence, reads in LA REPUBLICA:...Costa Rican people and their President Oscar Arias... (adding word "their")

Cuba

Malmierca Pleased With Trip To Uruguay

FL261523 Havana Radio Progreso Network in Spanish 1200 GMT 26 Jan 88

[Text] Cuban Foreign Minister Isidoro Malmierca said today he is pleased with the initial results of his official visit to Uruguay. Malmierca arrived in that country last night after leaving Brazil. The Cuban official met yesterday with members of the foreign relations committees of the Senate and the Chamber of Deputies. He also met with Uruguayan Vice President Enrique Tarigo, in his role of head of the Senate.

The Cuban minister will be received by President Julio Maria Sanguinetti today. Malmierca will remain in Uruguay until tomorrow when he will leave for Argentina in the evening. His tour will end in Mexico.

Meets With ALADI

FL262339 Havana Radio Reloj Network in Spanish 2027 GMT 26 Jan 88

[Text] Cuban Foreign Minister Isidoro Malmierca today visited the Montevideo Intendancy and the ALADI where he gave a speech.

This is Malmierca's 2d day in Uruguay and he met with intendant [mayor] (Jorge Luis Elisante) who decorated Malmierca with a commemorative gold medal marking the 250 years of the Montevideo Chapter.

The Cuban delegation then went to the Cuba Plaza to pay tribute to Cuban national hero Jose Marti. A solemn ceremony was held in his memory.

Malmierca later met at the ALADI with representatives from Latin American countries. The participants expressed their satisfaction in receiving the Cuban foreign minister at a time when the organization is facing the immense task of regional integration.

Fernandez Meets With Spanish President

FL261650 Havana Tele-Rebelde Network in Spanish 1800 GMT 24 Jan 88

[Text] Prime Minister Felipe Gonzalez, secretary general of the Spanish Socialist Workers Party [PSOE], has met in Madrid with Jose Ramon Fernandez, alternate member of the PCC Politburo. Fernandez, who is also vice president of the Council of Ministers of Cuba, arrived in Spain last Thursday at the head of a delegation, which was invited to attend the 31st Congress of the PSOE. Fernandez handed Felipe Gonzalez a message from our Commander in Chief Fidel Castro. The Cuban official and the Spanish president dealt with matters of interest for the two countries. Gonzalez said he was pleased with the Cuban delegation's visit and sent cordial greetings to our commander in chief.

Group of Six Missions Present Declaration

FL270218 Havana Television Service in Spanish 0100 GMT 27 Jan 88

[Text] Acting Cuban Foreign Minister Jose Raul Viera today received the chiefs of diplomatic missions from the Group of Six accredited here in Havana.

Representatives from Argentina, India, Sweden, Greece, Mexico, and Tanzania presented Viera with the Stockholm Declaration, which was recently signed in the Swedish capital. The delegation is officially being presented to all countries and to the five permanent members of the Security Council as a contribution to efforts to check the arms race.

The Cuban minister stressed the efforts of the Group of Six for peace and disarmament. He also reiterated Cuba's solidarity with their work.

Bridge To Join Cienfuegos With Nuclear Plant

FL270058 Havana Radio Rebelde Network in Spanish 0000 GMT 27 Jan 88

[By (Manuel Varela Perez) from Cienfuegos]

[Text] One of the construction projects planned for Cienfuegos Province is a bridge that will cross the entry canal at Cienfuegos Bay. Construction is expected to begin during the first half of this year. The bridge is the first project of this type in our country. It will be approximately 400 meters long, 130 meters high, and will connect the city of Cienfuegos with the Juragua electro-nuclear center.

[Name indistinct] said that in addition to this project, a road will be constructed which will circumvent all of Cienfuegos and will cross the Rio Damuji. This will also allow quicker access to the work of the century.

Caricom

Stronger Relations With Suriname Anticipated

FL231350 Bridgetown CANA in English 1646 GMT 21 Jan 88

[Text] Castries, St Lucia, Jan 21, CANA—The 13-nation Caribbean Community (Caricom) said on Thursday it looked forward to strengthening relations with Suriname under its newly-elected democratic government. These sentiments were expressed by Caricom chairman, St Lucian Prime Minister John Compton, in a congratulatory message to newly-elected Suriname President Ramsewak Shankar, who begins a five-year term on January 25.

Compton said Caricom was pleased to learn of the "successful conduct," of elections last November 25, which paved the way for the restoration of elected democracy after seven years of military rule.

Suriname has observer status in Caricom and heads of government last year said any upgrading of relations would be tied to a restoration of democracy. "We look forward to cooperating positively in the future with the Government and people of Suriname in strengthening the relations that already exist between your country and the Caribbean Community and we sincerely wish for the Suriname society prosperity and increased well being under your leadership," Compton told Shankar.

Grenada

Opposition Condemns New Haitian Government

FL252303 Bridgetown CANA in English 2234 GMT 25 Jan 88

[Text] St George's, Grenada, Jan 25, CANA—The opposition National Democratic Congress (NDC) has condemned the government emerging in Haiti following controversial presidential and general elections eight days ago.

The NDC, which is led by opposition leader George Brizan, called the elections "wholly fraudulent", and said Haitians faced rule by a minority government.

Former university lecturer Leslie Manigat has been declared winner of the poll, which was marred by electoral fraud and boycotted by the country's most popular politicians who were not satisfied with the organisation. Manigat is due to be sworn in on February 7 as Haiti's first president since the downfall of the Duvalier dynasty.

"In fact, all available evidence definitely shows that those so-called elections were a total fraud and a sham, a disgraceful mockery of democracy", the NDC said in a statement.

The NDC has voiced support for the call by the chairman of the Caribbean Community (Caricom), Prime Minister John Compton of St Lucia, for a rejection of any government coming out of the elections.

Haiti

President-Elect Holds First News Conference

FL262133 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 88

[Text] During a news conference at his residence yesterday, Mr Leslie Manigat, the new president, reaffirmed he opted for a democratic government and the free exercise of all public freedoms in Haiti.

The new Haitian president-elect, who was speaking to the national and international press for the first time since he was elected, formally promised that the main organic laws of the future government would draw inspiration from those of countries with a long-standing democratic tradition, such as the United States, Canada, France, Great Britain, FRG, and Venezuela, and that a state of law would prevail in Haiti.

Manigat said he felt that freedom of expression was of fundamental importance in Haiti, and was the cornerstone of democracy. In this connection, he stressed that the press in Haiti was predominantly critical. He said it was an opposition press and this was more than enough proof that there is excellent freedom of expression in Haiti.

The new president-elect also said he had called upon the opposition to help, and that from now on the ball was in the opposition's court. He emphasized that he represented reconciliation and unity and that no sector of the Haitian community would be excluded.

We will dispel initial reservations through the job we do; when people see the government at work, those who had reservations will join us, Manigat said, among other things.

Those who want to keep up a state of permanent agitation are working against the interests of the Haitian people, he added, stressing that the reestablishment of confidence was the essential condition necessary for the country's economic development.

Manigat continued that the real Haiti is tired of strikes and demonstrations and is demanding work. Asked about de-Duvalierization, he announced that his government would not engage in witch-hunts. In this connection, Manigat stated: For 30 years, people had to compromise to survive. This is a fact.

The president also said he was optimistic about a future resumption of U.S. economic aid. Nevertheless, he added that he thinks the resumption will be slow in coming because of the nature of the U.S. system.

Manigat said he felt that the U.S. Government has no quarrel with the government that will be coming to power on 7 February 1988. He stressed that it would be up to the Americans to determine what they should do with an honest, democratic, and competent government. He also said he felt the fundamental lesson to be learned from the U.S. decision to cut off aid to Haiti is that Haiti should learn to rely on itself.

[Begin Manigat recording] We must begin by treating our brothers well ourselves, by creating decent conditions for our brothers ourselves, here in Haiti. If we do not respect our own brothers in our own country, if we do not create proper conditions for our brothers in our own country-...[changes thought] That is why they go abroad, and in doing so they can become the victims of situations or living conditions we consider unacceptable.

Now, with this said, we are going to develop with the Dominican Republic a new era of relations between the two countries sharing this island. We on this side of the border want to begin a period of cooperation with dignity for both parties, with respect for the sovereignty of both parties, and with absolute equality of treatment for both parties. We are going to move to put an end to a tradition of distance, opposition, and antagonism.

I have often used the historical example of the relations between France and Germany, which for a long time [words indistinct] of antagonism. Yet after World War II, De Gaulle and Adenauer were able to found a new era of relations between France and Germany.

I fervently hope it will become possible for (?Haitians) and (?Dominicans) to follow De Gaulle and Adenauer's example and to try to have something that can serve as an axis for cooperation, within vigorous and equal respect for the national sovereignty and the dignity of both parties.

I don't believe the U.S. Government has any quarrel with the government coming to power on 7 February 1988. Thus, it will be up to the U.S. Government to figure out how it can normalize relations with us, since—and let us not forget this—it is a democratic government that will be coming to power. It will be a government whose competency is, I believe, already recognized; a government whose determination to be rigourously honest in the management of public monies is well-known; and a government that, before coming to power [words indistinct] has given proof of its devotion to popular causes.

Can you imagine such a government and the great democratic powers continuing to sulk about it; or holding it responsible for things it can in no way be held responsible as far as the evolution of international relations goes? No. I think we will be able to renormalize our relations with friendly powers. There will be a few little difficulties, of course, stemming from the fact the Congress has intervened in the decision, and that therefore, the resumption will not depend on the administration alone. A resumption will therefore take longer because of the way the American system works; but I am optimistic about this resumption.

Furthermore, I think the success of the democratic experience we are going to usher in is in the interest not only of Haiti but also of the United States

As to our relations with foreign countries, I would like to conclude this brief introduction by saying we will work without respite to bring our international relations back to normal. [end recording]

Asked about the possibility of resuming diplomatic relations with Cuba, Mr Manigat said he had met with the Cuban vice minister of foreign affairs a few months ago, and that the vice minister had told him that Cuba was not obssessed with diplomatic recognition but was more interested in developing economic and cultural relations.

Lastly, regarding relations between Haiti and the Dominican Republic, Manigat said that he would do all he could to end a tradition of antagonism between the two countries, using as a model what was done by France and Germany under Presidents de Gaulle and Adenauer. We are going to develop a new era of relations with the Dominican Republic, Manigat said.

CED Calls for 28 Jan General Warning Strike

FL262123 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 88

[Excerpt] [Passage omitted] Together with the Episcopal Conference of Haiti, the Haitian Federation of Protestant Churches, the Haitian Conference of Clergymen, unions, democratic organizations, and the entire Haitian people, the Committee for Democratic Agreement [CED] once again protests the election parody of 17 January and its alleged results, tainted by shocking irregularities ascertained by both national and international public opinion.

It is logical and normal for the entire nation to repel with all means at its disposal such a forcible blow against the Constitution of 1987 and the nation's sovereign will.

Therefore, the CED leaders express their clear and determined will to refuse to collaborate in any way, at any level, with the government that the force of bayonets is trying to put into power.

The four leaders of the democratic center wonder: How can one call for an opening and for reconciliation when one has just trampled on all the rules of sound democratic practice? How can one speak of democracy when one has just shown contempt for the nation's sovereign will and for constitutional order?

For all these reasons, the CED calls on the entire Haitian people to observe a warning strike on Thursday, 28 January 1988, to demand the annulment of the recent election parody. Legal action for the same purpose will also be initiated, says the CED. Details of further protest actions will be made public as the crisis evolves.

The note is signed for the CED, by Marc Bazin of the MIDH [Movement for the Implementation of Democracy in Haiti]; Sylvio Claude of the PDCH [Haitian Christian Democratic Party]; Gerard Gourgue of the National Concerted Action Front; and Louis Dejoie of the PAIN [National Agricultural and Industrial Party].

Clergy Calls for New Provisional Government

FL262152 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 88

[Text] Here is the position of the Haitian Conference of Clergy on the 17 January 1988 elections.

[Announcer, in Creole] In a news release issued yesterday, the Haitian Conference of Clergy says: Today we once again declare we want support the suffering Haitian people, just like our bishops who stated that the church will walk alongside the people.

We feel the majority of the Haitian people have been suffering for 30 years, but their lot worsened over the past 2 years and deteriorated after the 29 November massacre and after the electoral masquerade of 17 January.

The goal of this declaration is, precisely, to set forth our position vis-a-vis the 17 January elections.

First of all, the Provisional Electoral Council [CEP] which organized those elections is unconstitutional. The electoral law was not even respected. The elections were held in a climate of fear, without respect for the rights of citizens. Many people were forced to go into hiding. Many people were arrested. There were many weapons in the streets just before the elections. There was so much fraud in the balloting that even the people who participated in and were in favor of these sham elections had to denounce them.

Fifth, the Haitian Conference of Clergy says, despite all the pressure being put on the Haitian people, only a handful voted.

After considering all these things, we declare that we agree with all the Haitian groups who declare these elections null and void. The Haitian people do not consider these elections valid. Haitians have already spoken through the way they observed the 16 January strike and by the way they stayed home in order not to participate in the masquerade on 17 January 1988.

We particularly congratulate all the groups and all other organizations in other countries which have supported the Haitian people in refusing to recognize a government issuing from these sham elections.

Here is what we propose: That all democratic forces in Haiti—political parties, unions, the Catholic and Protestant churches, voodoo practitioners, workers, peasants, merchants, youth movements, intellectuals, and all men of good will—get together in solidarity and form a provisional government to unblock the country and create conditions capable of leading to free, democratic, and honest elections.

That was the reaction of the Haitian Conference of Clergy. The signers of the news release say they represent 1,600 clergy in Haiti.

Romelus Urges People Not To Recognize Manigat

FL262205 Port-au-Prince Radio Metropole in Creole 1145 GMT 26 Jan 88

[By Jeremie correspondent (Ertho Zamor)]

[Excerpt] [Passage omitted] The election results have stirred up even more protests in Jeremie. Msgr Willy Romelus has denounced the government and the Provisional Electoral Council. He has asked the people to organize to not recognize the president-elect. The battle is long and difficult, but victory belongs to the people.

The Reverend Father Samedi of the parish of Les Abricots heartily condemns the 17 January elections and their results. Father Samedi thinks it is time for the people to stand up and say no to all wheeler-dealers and dictators. [passage omitted]

CNG Adopts New Communal Economic Measures

FL262139 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 88

[Text] In accordance with new measures adopted by the National Government Council [CNG], communal income collected by the General Tax Office will henceforth be put directly into the communes' accounts after a 10-percent deduction has been made.

According to the Ministry of Information news release, this new measure is aimed at facilitating management of communal income, in compliance with the autonomy attributed to the communes under Article 66 of the Constitution.

Also, by means of a decree dated 15 January 1988, the CNG has decided to reduce by 125 million gourdes—$25 million—the 1987-88 operating budget of ministerial departments.

Dominican Troops Reportedly Detain Workers

PA241244 Paris AFP in Spanish 1922 GMT 23 Jan 88

[Text] Port-au-Prince, 23 Jan (AFP)—Dominican Army troops are detaining Haitians in the southeastern border area and forcing them to cut sugarcane in the Dominican Republic, private radio station Haiti Inter reported today, citing the testimony of area residents.

According to those residents, the Dominican troops round up men, especially in the Dominican area of Pedernales, near the border, where Haitian villagers go to a Dominican dispensary to receive treatment or purchase medicine.

Even Haitian soldiers, if they are not in uniform yet have their Army identification cards, are captured and taken to cut sugarcane at Dominican plantations, according to the reports.

Witnesses have pointed to a particular Dominican Army major, the military commander of Pedernales, as responsible for these roundups that have led to protests from the local Haitian population.

The same officer, according to reports, some time ago slapped a Haitian soldier in the face. The soldier was stationed at the border garrison near the village of Anse-a-Pitre, in the extreme southeastern part of Haiti.

De la Madrid, Cabinet Assess 1987 Activities

PA201847 Mexico City UNOMASUNO in Spanish
11 Jan 88 pp 1,7

[Article by Ricardo del Muro]

[Text] Mexican President Miguel de la Madrid has emphasized the importance of accomplishing three major tasks this year: 1) substantially combating inflation and achieving economic recovery; 2) seeing to it that that a legal and orderly process exists for the upcoming elections; 3) furthering national renewal.

The president received from his cabinet reports indicating that the country's economic structure is still resting on solid foundations and that it is not experiencing any deterioration. However, the reports note that 1987 was a difficult year because of last quarter's negative performance by the main financial and monetary indicators.

Likewise, it is estimated that the overall GNP rose more than 1 percent. This means that the negative tendency observed the previous year was overcome. In 1986, the GNP was down approximately 4 percent. Industrial production in 1987 was up more than 2 percent. This figure compares favorably with the minus 5.2 percent rate registered in 1986.

During the meeting between President De la Madrid and his cabinet, which was held Friday at the Los Pinos Presidential Palace, 1987's activities were assessed and the highlights of this year's work programs were explained. Yesterday, the General Directorate of Social Communications of the Presidency of the Republic [Direccion General de Comunicacion Social de la Presidencia de la Republica] reported on the meeting.

Government Secretary Manuel Bartlett Diaz said that 1988 will see a great many political and electoral activities. Under President de la Madrid's orders and pursuant to the responsibilities of Bartlett's position, the electoral campaigns of all the candidates will be supervised. The newly enacted Federal Elections Law will be particularly closely enforced. The goal is to conduct the July elections in complete calm and to have the most honest and unblemished elections in the postrevolutionary era.

Adding to the above remarks were National Defense Secretary General Juan Arevalo Gardoqui and Navy Secretary Admiral Miguel Angel Gomez Ortega. They noted that they will strictly carry out their duties as defenders of public order, within a very strict adherence to the law.

During the meeting, other favorable results of the government actions undertaken last year were noted. These results were: the positive balance of payments; the satisfactory level of international reserves; the advances made in the process of structural changes; and the strengthening of the financial situation of the majority of private enterprises.

The president strongly urged his aides to step up their efforts and to work harder than in any of the previous years of his term. He noted that while there have been problems, especially regarding the economy in the last 2 months of 1987, during the past 5 years of the current administration there have been major advances that must be consolidated. "We must prove that despite the restrictions on expenditures, the programs that are still important must be fully implemented. One must never talk of paralyzing public activities," he said.

De la Madrid noted that the Economic Solidarity Pact (PSE) compels us to work more efficiently and productively. Therefore, this forces the public sector to act in a more exemplary fashion. "This gives us the responsibility to supervise expenditures with greater interest to prevent any deviation," he added.

The president remarked: "We must reinforce what we have achieved and continue advancing," in the task of national renewal.

Regarding the 1988 program, the secretaries handling the economic areas of the government stated that the administration's chief challenge is to curb the inflation rate. For that reason, as the PSE stated, efforts will be redoubled in the first 2 months of the year to carefully abide by the commitments which the government made when it signed the PSE. As previously stated and as reiterated during this meeting, the PSE is viable and marks the start of an all-out war against inflation.

The following are among the most important actions that will be implemented immediately and that are within the purview of the Government:

To implement the austerity decree; to accelerate the divestiture of public enterprises by selling, liquidating, transferring, or merging them; to improve productivity of the enterprises which the government shall retain; to increase administrative efficiency in the central government.

The effort mentioned will be maintained throughout 1988. Control operations will be redoubled to avoid dishonest and irregular activities. The overall goal is to leave the country's structures on more solid ground so that the new government may receive a country at peace, at work, and with consolidated structural changes.

PRI Denies Rumors About Salinas' Poor Health

PA220335 Mexico City EXCELSIOR in Spanish
15 Jan 88 pp 1a, 10a, 41a

[Article by Aurora Berdejo, Nidia Marin, Humberto Aranda, and Enrique Olivares]

[Excerpt] Tlaxcala, Tlax, 7 Jan—PRI presidential candidate Carlos Salinas de Gortari is in very good health; his physical stamina has been demonstrated during his intense campaign, and all of the things that are said regarding the possibility of his not reaching the Presidency "are only rumors."

These rumors, said campaign coordinator Luis Donaldo Colosio Murrieta, should not be given credence. "They are only that...rumors."

At a news conference at which he evaluated Salinas de Gortari's nationwide campaign activities during the past 3 months, the top PRI official clearly implied there is not the slightest chance of a change in presidential succession.

After reporting in detail what has been done to win the July elections clearly and convincingly, Colosio Murrieta answered questions. One of his most interesting answers was a categorical denial of the rumors of the past few weeks regarding Salinas de Gortari.

"To date, the campaign has fulfilled its objectives and goals. The political tasks carried out have allowed much contact between the people and our candidate, and this contact has been carried out in an orderly, systematic, and strategic manner," Colosio Murrieta said. [passage omitted]

Petricioli on Capital Flight, Devaluation

PA251700 Mexico City UNOMASUNO in Spanish
15 Jan 88 pp 1, 13

[Article by Teresa Weiser]

[Text] Finance and Public Credit Secretary, Gustavo Petricioli, said yesterday there will not be a freeze on bank accounts or an abrupt devaluation of the peso that would make the exchange rate 6,000 pesos to the dollar by year's end. He said foreign currency reserves are not dwindling but have actually increased since December. He also denied a flight of capital, and said funds are actually returning.

In an interview with a group of 21 people, Petricioli said he is convinced the Economic Solidarity Pact [PSE] will work. "We will make it work; if it has any faults, the state will use its power to correct them and adopt appropriate measures," he said. He did not discard the possibility of monetary reform if the program succeeds.

"We believe a monetary reform may then be useful and advisable, provided the necessary conditions exist, such as bringing inflation to manageable levels. I think it would be useless, even artificial, to carry out monetary reform with our skyrocketing inflation. We must eliminate the inflationary pressures and the root of the inflation first, and then manage to stabilize prices, salaries, and our relations abroad. Then we can explore the possibility of achieving reforms."

Petricioli promised there will be no Machiavellianism in the state's current attempts to halt inflation. When asked if we Mexicans may be faced with a shift in the rules of the game, he burst out laughing and answered nervously, but clearly: "No, no."

He was also asked about comments by London's FINANCIAL TIMES that in handling its foreign debt, Mexico has engaged in assorted Machiavellianism worthy of the treacherous Albion. He was asked whether such Machiavellianism or maneuvering capability could turn against the Mexican population.

He replied: "Regarding these comments by foreign newspapers or media, I think the foreign press has generally recognized the plan, the procedure, the proposal submitted to the foreign banks by Mexico, which expects to formalize it perhaps by the end of next month." He added: "I want to clarify that some international media have attributed the idea and the plan to some institutions, which is absolutely false. Mexico submitted this idea to the international financial community last year, and it was totally rejected as unviable because it called for a reduction in the debt. One of our new plan's main points includes the banks acknowledging that the amount must be reduced, because in reality, the debt is worth less, and the debtor countries are not able to repay the debt at face value."

Mexico's new repayment plan, which consists of exchanging the old debt for a new one represented by bonds, clearly benefits our country. A large number of institutions have realistically accepted it, he said. Agreeing to the program represents a substantial loss for them, because they have the debt on their books at 100 percent face value, and when they exchange it for the new bonds, they will have to do so for less than 100 percent. We will see how much less it will be. This is the important issue we will have to contend with in the future. For the time being, however, it will be less than 100 percent. How much? 50, 60, or 70? This is what we will see. However, this is already significant and opens up new possibilities not only for Mexico—in this first transaction—but for other debtor countries treading this same path to reduce the service burden of their debts.

Regarding the current situation and the blow received by Mexicans at year's end, Petricioli said that "the problem must not be magnified, exaggerated, or dramatized.

because although it was a financial problem at year's end, we must see reality: Mexico's production, output, employment, exports, and creative ability were not impaired."

He explained this was a financial problem prompted by external and internal causes, a part of a worldwide problem: a violent, brutal crash of our stock exchange, which also occurred in the stock exchanges of the more important, industrialized, richer countries. There are problems with prices and financial flows, but the problems are not as huge as depicted. We regret it came about, but it really did not affect our country's economy, Petricioli said.

He denied the country's indebtedness has increased substantially during this administration. "This is false. The public and private foreign debt has decreased during this administration; we owe less now. We are better off regarding the amount, the modes of payment, payment deadlines, interest rates, grace periods, and contingency funds." He reiterated that further progress is expected this year, primarily through the exchange of the debt for bonds.

Regarding devaluation of the controlled dollar, the official conceded that in principle, the government maintained a policy of letting the exchange rate slide gradually. However, he said the 4th quarter's economic and financial occurrences, the disturbances that affected us at home and abroad and led us to this economic plan to decrease inflation, made it necessary to establish a firm basis in all elements of the economy: the so-called "economic variables" such as public prices, private prices, the exchange rate, the interest rate, etc.—in summary, make the necessary adjustments so after the creation of a firm and solid platform, that platform could be used to build the program of disinflation and stabilization for 1988.

He conceded that devaluation has an inflationary effect on prices and explained it was necessary to prevent the occurrence of this effect on this year's program to decrease prices.

"Therefore, we had to have an exchange rate that would continue to encourage and promote exports, because we needed to ensure an important flow in 1988 of foreign currency as a result of exports, and an exchange rate that would motivate us."

Finally, he was asked why the government, in implementing an anti-inflationary program to stop the price spiral, is serving itself with a large spoon by increasing the price of electricity, gasoline, telephones, etc.—which are parastatal enterprises. He said it is because public utility prices had lagged—a stupid error that caused a fiscal deficit. Gasoline prices have not been adjusted since June, for example, and there was a number of lags that was costing us. The lack of this income in real terms was adjusted according to the inflation rate. Private prices were increasing a great deal, and public prices remained unchanged. All this caused an imbalance and obliged us to issue more treasury certificates [Cetes]. This was corrected, and bases were established to prevent a recurrence this year so we could freeze prices in January and February. Afterward, it will correspond to the inflation rate.

Mining Official Discusses Companies, Budget

FL152058 Mexico City NOTIMEX in Spanish 0336 GMT 14 Jan 88

[Text] Leon, 13 Jan (NOTIMEX)—Alberto Escofett Artigas, under secretary for Mines, has announced that parastate companies Azufrera Panamericana, Laminera del Carbon, and Roca Fosforica de Mexico will be put up for sale.

The official from the Mexican Secretariat of Energy, Mines, and Parastate Industry (SEMIP) said that to date 120 companies from the public sector have been liquidated and sold. He added that according to the Economic Solidarity Pact this process to dissolve the corporations will accelerate. He clarified, however, that mining companies will not be transferred.

Escoffet stated that within the governmental mine sector there are few companies which operate in the red. He made this statement while accompanying Salinas de Gortari, PRI presidential candidate for 1988-94.

Furthermore, he said that a total of 800,000 tons of iron and steel products were exported in 1987. The figure will be surpassed this year. This will allow the country to earn more foreign exchange.

The under secretary also said that the public administration budget adjustments will not affect the mine and steel-iron sectors. However, in these production areas rationalization procedures will also be applied in the use of resources.

For his part, Juan Einbenshutz, deputy director of the Federal Electricity Commission, said that the budget cut will not affect the projects of the Laguna Verde nuclear power plant, which is expected to be in operation by the second half of 1988.

He also maintained that with the adjustment in the electricity rates, they are trying to find a balance so that this sector can function effectively.

El Salvador

FDR's Oqueli Arrives; Views Duarte Remarks

PA240100 San Salvador Canal Doce Television in Spanish 0300 GMT 23 Jan 88

[Correspondent Regina Canas report on remarks by Hector Oqueli Colindres, leader of the National Revolutionary Movement, MNR, on arrival in El Salvador on 23 January; place not given—passages within quotation remarks recorded]

[Text] [Canas] Hector Oqueli Colindres, leader of the National Revolutionary Movement, MNR, and member of the FDR, arrived today from Mexico at 1640. Upon his arrival, the politician stated that his visit stems from a desire to work intensively on his party's reorganization [words indistinct] recently by the Central Electoral Council.

Oqueli said that he will work to achieve national consensus—which he termed the only choice for solving the serious crisis in El Salvador—even though it has not yet been decided whether the MNR will participate in the elections individually or within the Democratic Current:

[Oqueli] "You know that my party, of which I am secretary, has been authorized to participate in national political life. Consequently, and in view of this possibility, I have come to meet with my MNR comrades and to discuss other matters with comrades in the Democratic Current."

[Canas] As for the recent statements by President Jose Napoleon Duarte that FDR members may be arrested if charges are lodged against them due to their continuing alliance with the FMLN, Oqueli noted that President Duarte is not the country's attorney general, who is empowered to make such statements:

[Oqueli] "This is the second time he has done this. He previously threatened us with the possibility of death, and today he is threatening us with possible imprisonment. I think President Duarte has also been very active in bringing up charges through the press against people and organizations, about things they do and fail to do. I do not believe it is the president's role to act as the national attorney general."

[Canas] As for the upcoming elections, Oqueli commented that they will not end the present conflict:

[Oqueli] "To resolve the nation's main problem, a negotiated political solution is required. Consequently, the elections will take place. For this reason, we believe that the plans for a possible boycott will not have the desired effect, since the voting will be held anyway. Elections of this type are fundamentally held for international consumption rather than for solving a country's problems."

[Canas] Oqueli plans to remain in the capital for 1 week, but he may stay longer due to the work he has to do with MNR members and the Democratic Current.

Venceremos Reports Statements

PA242245 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 24 Jan 88

[Text] FDR leader Hector Oqueli Colindres arrived in our country during the last few hours. Meanwhile, Ruben Zamora, vice president of the FDR, an organization allied with the FMLN, is expected to arrive Monday.

In statements to the press, Oqueli said the FDR will not talk separately with the government. He stated that any dialogue will have to be with the FDR-FMLN alliance, then stressed the inconsistency of the Duarte administration, which has expressed concern over the safety of FDR members and then again threatened to jail them.

During their stay in El Salvador, Oqueli and Zamora will hold working meetings with many groups and political sectors to expand the forces seeking a national solution to the conflict.

FDR's Ruben Zamora Returns

PA261608 San Salvador Canal Doce Television in Spanish 0300 GMT 26 Jan 88

[Excerpts] FDR leader Ruben Zamora arrived in the country this afternoon to join the political process. However, Zamora has yet to decide whether he will participate in the upcoming elections. [passage omitted]

Upon his arrival in the country, Ruben Zamora, secretary general of the Social Christian Popular Movement, said that even though it has not been decided whether the [word indistinct] will participate in the upcoming elections, the political situation looks good for [word indistinct]. [passage omitted]

Zamora said that prior to the elections, it is necessary to achieve a minimum consensus that will include the most important aspects for resolving the Salvadoran crisis.

[Begin Zamora recording] This [words indistinct] must first of all include a solution by way of a dialogue and negotiations in our country in an attempt to attain peace. Second, it must include a minimum agreement concerning a national recovery and development plan. This must be done with the participation of all the sectors. Third, the [words indistinct] so that human rights can be truly respected in our country. Fourth, the [words indistinct] of our national sovereignty or the independence of our nation. [end recording]

Although he did not specify how long he will remain in the country, he said that his stay will last several months. Zamora noted that this week he will begin the process at the Central Elections Council for registering the Social Christian Popular Movement.

Guerrillas Claim Downing Army Helicopter

PA270308 Panama City ACAN in Spanish 0215 GMT 27 Jan 88

[Text] San Salvador, 26 Jan (ACAN-EFE)—The Salvadoran rebels reported today that they had shot down an Army UH-1H helicopter—which is made in the United States—near the town of Tenancingo, in the center of the country.

(Clandestine) Radio Venceremos, the official mouthpiece of the FMLN, claimed that guerrilla fighters belonging to the "Modesto Ramirez" Front had shot down the helicopter in Tenancingo, a town 38 km north of San Salvador.

The Information Office of the Defense Ministry neither confirmed nor denied the insurgents' claims concerning the downed helicopter.

In addition, the Lempa River Hydroelectric Executive Commission (CEL) reported today that three primary electric lines with a capacity of 115,000 volts had been destroyed. This left the central departments of Cuscatlan, Cabanas, San Vicente, and part of San Salvador without electricity.

According to official reports, this morning the guerrillas attacked the CEL substation located in San Rafael Cedros, which is located 39 km northeast of San Salvador, in Cuscatlan Department.

Nicaragua

Spanish Visit of President Ortega Begins

Gonzalez Address Summarized

PA270225 Managua Domestic Service in Spanish 2339 GMT 26 Jan 88

[Report on dinner speech by Spanish Prime Minister Felipe Gonzalez, at Moncloa Palace in Madrid, by correspondent Carlos Jose Gadamuz—live]

[Excerpt] Good morning, it is 0039 on Wednesday, 27 January, here in Madrid. We are returning, with President Ortega, from the Moncloa Palace, where Spanish Prime Minister Felipe Gonzalez hosted a dinner for President Ortega and his delegation.

Before the dinner, President Ortega, Prime Minister Gonzalez, and their respective delegations held a working meeting in one of the meeting rooms of the Moncloa Palace. At this meeting, the two delegations exchanged views and discussed their experiences concerning the problems Nicaragua is facing.

At the conclusion of the dinner, Prime Minister Gonzalez and President Ortega delivered speeches. Prime Minister Gonzalez spoke first, thanking President Ortega for his visit to Spain and referring to the situation Nicaragua and Central America in general are facing. Prime Minister Gonzalez stated emphatically that he and Spain are opposed to U.S. military aid to the contras. He said so with these words: Spain, and I, as the prime minister of the Spaniards, are opposed to military aid to the contras. He added that the United States could make a positive gesture toward achieving peace in Central America if the U.S. Government gave the Central American presidents a chance to implement the Esquipulas agreement.

The Spanish prime minister also said it is impossible to demand that the same rules of the game be applied to a country like Nicaragua that is besieged, under attack, and threatened with intervention. Those rules are applied to other countries that are relatively calm and tranquil. The rules of the game are not the same, Prime Minister Gonzalez stated. He added that, logically, the process of democratization in Nicaragua is different than what it is in other countries of the region that are not facing the aggression and harassment that Nicaragua is.

Prime Minister Gonzalez noted that the efforts President Ortega made at the presidential meetings at Guatemala and San Jose honor Nicaragua and Ortega himself, because they are a demonstration of his desire to bring peace to Nicaragua.

Prime Minister Gonzalez commented that President Ortega has asked Spain to participate in the follow-up and verification process of the Esquipulas agreement. He said Spain is willing to participate as an observer, to be one of the countries that are overseeing compliance with the agreements, with the proviso that the governments concerned request this participation. However, he also noted President Ortega has stated that even if the other Central American countries do not agree to verification—that is, to the verification and follow-up activities—Nicaragua will agree to this and will call upon regional and European nations to verify Nicaragua's compliance with the agreement. This is so it will be clear to the world that Nicaragua has no fear of supervision or verification of its compliance with the agreement, and so it will be clear that Nicaragua is complying fully. Even if the other countries do not agree to verification, Nicaragua will agree to it. This is something for which Prime Minister Gonzalez praised President Ortega.

Prime Minister Gonzalez noted that the war in Nicaragua is not a low-intensity war, as the United States has tried to get the international public to believe; it is a full-scale war in which tens of thousands of human lives have already been lost. For this reason, Gonzalez said, every effort to attain peace must be totally supported

without any conditions. Any obstacle to peace must be combatted and denounced, President Gonzalez declared. He added immediately afterward that Spain, and he, as prime minister of the Spaniards, are opposed to U.S. military aid to the contras.

This was more or less what Prime Minister Felipe Gonzalez said in his speech at the dinner he hosted for President Daniel Ortega at Moncloa Palace, which is the workplace and residence of the Spanish prime minister. [passage omitted]

Ortega Speaks on Esquipulas

PA271449 Managua Domestic Service in Spanish 0317 GMT 27 Jan 88

[26 January toast by President Daniel Ortega at a dinner with Spanish Prime Minister Felipe Gonzalez in Madrid—recorded; broadcast in progress]

[Text] ...Ortega to Spain. That answer was provided by Spanish President [title as heard] Felipe Gonzalez, because Spain is part of the history of all Latin American countries, and because Spain is present in the struggle of the Central American peoples and of the Nicaraguan people for peace, justice, democracy, and freedom.

We came to Spain with a message of peace and democracy, to strengthen the yearning of the Central American peoples for peace and democracy. We came here to strengthen the committments the Central American presidents took on 7 August 1987 in an extraordinary act of dignity, independence, honor, and sovereignty.

The line of the Nicaraguan revolution has never been ambiguous. It has always been a clear, transparent, vigorous line, like the water of our rivers and lakes.

Nicaragua's democratic proposal is not the result of the policy of aggression my country has experienced since 1981. Nicaragua's democratic proposal was born from a vital need of our people. The FSLN adopted this proposal and waged the struggle for liberation to achieve justice, freedom, independence, self-determination, and sovereignty. The problem is that we have not been given the time nor the opportunity to build and develop this true democracy.

Our democratic proposals are included in the FSLN government platform issued in October 1977. We were convinced that platform was the path for the Nicaraguan revolution, and we are still convinced that this is the case.

If our democratic proposals were different from what they are, there would have been more than enough pretext for them [not further identified] to eliminate what is known as a pluralist, nonaligned project. However, we were determined to defend that project. We took certain restrictive measures to defend that plan in progress.

Recalling the history of Latin America during the years of the Nicaraguan revolution, we find a certain phenomenon in my country: As we faced internal problems, we resorted to special measures. We imposed a state of emergency to face those internal problems.

In Nicaragua, we are faced with aggression from abroad. This aggression is directed by the U.S. Government and financed by the U.S. Government. We have been forced to adopt a series of measures [words indistinct].

[Words indistinct] decision to end with the freedom of press, which was the political price we paid the day after the U.S. Congress approved $100 million [words indistinct] confiscating [words indistinct] newspaper, LA PRENSA. Our proposal does not include the confiscation [word indistinct] of the kind of thought that is opposed to the revolutionary process. This thought exists in our reality regardless of whether or not it is expressed through opposition political parties or the media.

We are convinced our people are demanding their right to total democracy and that achieving peace is an immediate step in that direction. Therefore, we have not stopped working [20-second break in reception] to participate, but that the interests of the economic sectors opposed to the revolution [words indistinct] blocked the possibilities of his participation in elections.

Cruz admitted he received a salary of $6,000 a month from the CIA. This explains the attitude of political forces that have refused to accept the democratic option in Nicaragua—the option of civic opposition—and have preferred armed opposition, which is the U.S. choice.

Amid war, we drafted a constitution with the participation of the people. However, we had to maintain some restrictive measures. Had the U.S. aggression not continued as it has, and had the Esquipulas agreements not emerged as an alternative, perhaps the situation would now [words indistinct].

This shows that [10-second break in reception] of democracy has caused restrictions in the exercise of full democracy [words indistinct] of the policy of aggression, of war against the Nicaraguan people.

However, what is known as the Esquipulas miracle occurred on 7 August 1987 as a result of the constant and unselfish efforts of the Contadora and Support Groups. The Esquipulas agreement would not have been possible without the Contadora Group or without the Nicaraguan people's resistance and determination to fight. The contras would have won, and a new Somozism would taken over our homeland. Our country would then also again be under U.S. rule.

Esquipulas has created possibilities for peace in Central America. Nicaragua signed the agreements, and it is complying with them. We hope the others will also comply. However, since the latest meeting on 16 January

in San Jose, Costa Rica, it has been confirmed that the plane that was downed last Sunday in our territory carried supplies consisting of weapons and food for the mercenaries. According to a survivor now in custody, the aircraft departed from an island known as Cisne Island, in Honduran territory. That plane was shot down in Nicaraguan territory. The mercenaries, who had been trained to use surface-to-air missiles, jumped from the aircraft in parachutes. The prisoner gave an account of how the United States directs the (?contra) operations on Swan Island against Nicaragua. In addition, a photograph that clearly showed several U.S. citizens was found in the plane. The prisoner identified the individual among those pictured as the one who directs the operations on Swan Island. The prisoner said the Nicaraguan mercenary groups are in charge of [word indistinct] packages and [word indistinct] weapons and supplies. He also stated that a group of Honduran soldiers are entrusted with (?guarding) the island.

That is a flagrant violation of the accords we ratified on 16 January in Costa Rica. But who is responsible? The U.S. Government is. It has imposed a policy even against the will of the Central American presidents. It has imposed a policy that compromises the territory of those Central American countries.

I believe President Azcona when he says he opposes that policy.

That policy imposed on him creates domestic problems for Honduras against the will of the Honduran people and government. However, this imposition also takes the form of threating a withdrawal of economic or military aid. Thus, that is logically hampering compliance with the agreement. The Central American presidents who met in San Jose on 16 January agreed that verification was necessary and indispensable. They believe the executive commission comprising the five Central American foreign ministers could be asked to organize the appropriate elements, that is, the countries within and outside the region in this organization.

Logically, we—and we hope the U.S. Government—remember that the Contadora and Support Groups, the United Nations, and the OAS should be present during the establishment of the mechanism for verification. In view of the importance of this matter, which is so crucial for the future fulfillment of these accords, we believed it was necessary to make direct contact with the Spanish Government, with President Felipe Gonzalez, in an attempt to achieve a strengthening of these verification organizations and mechanisms. Just as Canada has been willing to participate in the verification mechanism, we felt that Spain can contribute to peace and democracy in Central America.

If this was not possible, if time passed without the executive commission meeting, and if the verification commission were not set up to visit Central America and verify what is being complied with, verify who is complying, and then make the appropriate recommendations, Nicaragua would strive so the Contadora and Support Groups, the United nations, the OAS, Spain, and Canada [7-second break in reception] ...verification and follow-up that can indicate that Nicaragua is complying with the Esquipulas II agreement. If another Central American government also wants that, there are resources and means that can be (?employed).

After arriving in Spain, we had a frank talk with Spanish President Felipe Gonzalez. We discussed the topics of the war in Nicaragua, the need for peace in Central America, and the need for democracy in Central America and Nicaragua. We talked (?earnestly) and without diplomacy. We spoke as brothers who are interested in contributing to solving a conflict that is claiming the lives of dozens of Central Americans every day. On behalf of the Nicaraguan people, I want to express my gratitude for the Spanish president's willingness to actively contribute to this peace effort in Central America.

A few days from now, the U.S. Congress will be meeting to discuss more aid for the war against Nicaragua. Our message is not only directed to the U.S. Congress, but also to the Central American peoples and presidents who are committed to this effort for peace. These peace efforts are being made amid a war and amid the approval of further funds. While we were approving these agreements on 7 August in Guatemala City, they were approving funds for death in Nicaragua. They are using planes to supply weapons to bring death to Nicaragua. While we were meeting in Costa Rica, the U.S. Congress banned all those flights for 8 days. However, the flights continued. We were told this by the prisoner we captured from the aircraft that was shot down.

In other words, we have continued to comply with our commitments despite the acts of war carried out by the U.S. Government. This is because we believe that if we Central American presidents are capable of defending this dignified stand and displaying courage in complying with our accords, the U.S. Government will be left without a political and territorial platform in Central America on which to continue destructive acts against Nicaragua.

After our 16 January meeting, we believe it is advisable to have direct contact with Felipe [Gonzalez] and friends and brothers of the Nicaraguan people. We are certain that the Spanish people support these efforts. We are certain no one can condemn actions for peace and democracy. This is not a Nicaraguan invention, but a commitment signed by the five Central American presidents on 7 August 1987 and ratified on 16 January 1988.

As for the U.S. policy, we insist on the need for a peaceful, negotiated position. The United States considers Nicaragua to be a threat to its security [words indistinct] with Nicaragua. It is contradictory that while

the United States reaches agreements with the USSR on dismantling short- and intermediate-range missiles in Europe, while also discussing new agreements on disarmament, it is determined to arm mercenaries in Central America and continue causing the deaths of Nicaraguan people, continue causing the deaths of Nicaraguan (?children), and continue damaging the economy of the Nicaraguan people.

I sent a letter to President Reagan a few days ago in which I urged him to respect international law; I urged him to abide by the ruling of the International Court of Justice. The United States has resorted to this court on many occasions in the past. I urge him to put an end to his policy of death against Nicaragua. I urge him not to request more funds, because this will lead nowhere. This policy (?affects the image) of the United States among Latin American peoples and the international community. This policy is not destroying the Nicaraguan revolution, because this revolution is being defended by a majority of the Nicaraguan people. [Word indistinct] this revolution.

I urge President Reagan to discuss those security matters involving the Nicaraguan revolution that concern him [words indistinct]. We are willing to reach verifiable agreements that will ensure that Nicaragua will not feel threatened or attacked by the United States, and, in turn, that the United States will not feel threatened by Nicaragua. We must be positive.

The best contribution President Reagan could make at this moment in keeping with the steps he took by signing agreements with General Secretary Gorbachev would be to abstain from asking the U.S Congress for new funds for death. As we said at the meeting in San Jose, Costa Rica, funds should instead be requested for the development of the Central American peoples.

President Reagan is seeking approval for $270 million, $300 million, or $500 million. These funds would be welcome in Central America for development purposes—to help the people tackle their most pressing problems, especially a shortage of food. This would be a contribution toward peace.

I do not even include Nicaragua as a beneficiary of this cooperation, because we would be glad to see the $270 million, $300 million, or $500 million given to the peoples of Honduras, El Salvador, Guatemala, and Costa Rica to build housing for their workers; to build hospitals and schools; and to buy medicine and farming machinery. We would be happy even if we were excluded from such aid.

President Reagan has a chance to work for peace in Central America. He should respect the will of the Central American presidents, who have clearly stated that they oppose all type of aid—logistic, military, or any other. The only type of aid we can approve of is that which is delivered through humanitarian organizatins such as the Red Cross; assistance that is used to relocate and resettle those people who will accept the cease-fire, who will put down their weapons, and who will participate in the democratic openings that are becoming available in Central America.

We are satisfied with our talks with Prime Minister Gonzalez. We are satisfied with his words and his response, and we expected nothing less. It is an honorable response on the side of justice, freedom, democracy, and peace. It is a response reflecting the history that America and Spain are building together and that is always firm, strong, and—with the energy of our volcanoes—becoming strengthened every day. It is gaining strength here tonight in Madrid. I state that just as Spaniards can visit Nicaragua and feel like Nicaraguans, the Nicaraguans here in Madrid feel like Spaniards. Thank you.

Reportage on Ortega Visit to Spain

For reportage on the visit of President Daniel Ortega to Spain, see the Spain section of the 26 January West Europe DAILY REPORT and subsequent issues.

Ortega Swedish Visit Canceled at 'Last Minute'

PA261346 Paris AFP in Spanish 1250 GMT 26 Jan 88

[Text] Stockholm, 26 Jan (AFP)—Pierre Schori, secretary general of the Swedish Foreign Ministry, stated this morning that Nicaraguan President Daniel Ortega, who is currently on a tour of Europe, canceled his visit to Sweden scheduled for next week.

Schori made this statement during a meeting with the foreign press. He thus denied Swedish newspaper reports that mentioned the possibility of a meeting next week between the Nicaraguan leader and representatives of the Swedish Government.

Meanwhile, a spokesman for the Nicaraguan Embassy in Stockholm stated this morning that Ortega's visit "was canceled at the last minute." This decision, the spokesman added, is due to a "coincidence in the date with next week's vote of the U.S. Congress on the U.S. aid to the Nicaraguan contras."

Ortega Addresses UNAG on Agrarian Reform

PA252218 Managua Domestic Service in Spanish 2309 GMT 24 Jan 88

[Speech by President Daniel Ortega to a meeting of the National Union of Farmers and Cattlemen, UNAG, at the Las Mercedes Hotel in Managua; live—broadcast in progress]

[Excerpts] ...which is necessary, because it is very clear that we lack communication. Communication is essential to face economic, social, and political problems. The solution to all these problems requires communication and discussion.

The Nicaraguan revolution has allowed all organized sectors to express their views, regardless of whether they differ from the ones promoted by its institutions or by the government itself.

War is a distortive element. It destroys the possibilities of our nation functioning normally, of producing normally. A war causes larger [word indistinct], and I believe that we can all agree on this.

The FSLN and the Nicaraguan Government recognize the role the UNAG played in the defense of the revolution, both militarily and economically. We have said and you have reiterated here today that the defense of the revolution is a matter of the utmost importance, for both military and economic reasons.

The defense of the revolution is carried out in war zones and in areas not directly affected by the war. This is because the truth is that the war affects the whole country; it pervades the country. The war affects supply activities and touches all Nicaraguan families. [passage omitted]

Let us discuss the problem of agrarian reform. Agrarian reform is a necessary component of our revolutionary transformation. It is not merely a matter of taking land from some people and giving it to others; agrarian reform is the organization of rural production. It guarantees land ownership to those who work efficiently, regardless of whether they are small, medium, or large producers. Agrarian reform also gives land to those who are justifiably demanding land now. They are the peasants who want to work the land that was earlier taken away from them. They now see an opportunity, because the revolution was made for them, for the peasants. The revolution was carried out by peasants for peasants, by workers for workers. Thus, peasants perceive their opportunity now, and they rightly make claims for their land.

We have peasants who have been displaced due to the war. We must fulfill their requests during the war, because when the conflict has ended, those peasants will return to their hometowns, which are now war zones. There are thus various forms of pressure impinging on agrarian reform. This reform is the organization of rural production. Agrarian reform deals with better distribution and organization of rural production and land distribution for a more efficient exploitation of resources.

The FSLN has been very clear concerning the expropriation of land. We ratified our position in 1986 at a Sandinist meeting when we told the entire nation of the manner in which we would carry out the land expropriation process. We stated that [word indistinct] to affect someone with this program to fulfill the demands or requests of peasants displaced by the war, the land situation would be more affected than the individual owners. [sentence as heard]

If the land is unused for some reason, it would be given to peasants wanting to work it individually or in cooperative organizations. It could also be used to relocate peasants displaced by the war. If the land belongs to the (?APP) [People's Ownership Sector], that land must be expropriated. APP land has already been seized in Region 6, where we started with the [word indistinct] settlings.

At that time, if it was necessary to take possession of private land owned by large or medium producers, we had to reach an agreement with them and give them an option somewhere else so that they could continue working. We did all this in a very orderly manner. It was not a matter of seizing a farm, cattle, and other means of production and then seeing what we could do with all this. It was an orderly process. The process worked in some cases, while in some others it did not. Some acted in an arbitrary manner, and some did not act correctly. Yesterday I was speaking with Commander Wheelock about you. He was concerned about certain problems in rural areas.

[Words indistinct] rural problems in such times, and after we [word indistinct] that position, problems slowed down a little.

We have to make great efforts not to expropriate [words indistinct]. If we had to expropriate a certain area, we had to take possession of those with more land and not expropriate a small [word indistinct]. Those who had more land had to give up part of it. For example, those who owned 5,000 manzanas of land had to give up 1,000 or 2,000 manzanas to help relocate people there. This process was carried out for some time, but, with the escalation of the war in certain regions, new problems have arisen. [passage omitted]

I also discussed cooperatives with Comrade Wheelock. There are cooperatives—as you said before—that kept those people working with them. What we have to do is add more people to the cooperatives instead of expropriating another producer, who is working efficiently. [passage omitted] Another topic that continues to be controversial and has been thoroughly discussed is cattle-raising. I agree it is necessary to clarify even some contradictory views concerning cattle-raising. We cannot say that a consensus has been reached following a discussion of this topic by the companeros from the cattle-raising programs at the institution. Such a consensus has not been attained. The agreement needed for solving this problem must be reached to clearly formulate our cattle policy.

We must also determine whether this policy has had a positive effect on small-, medium-, and large-scale cattle-raising enterprises that are organized in UNAG, or whether this policy benefits only those organized in FEGANIC [Federation of Cattlemen's Associations of Nicaragua], which is a member of COSEP [Higher Council of Private Enterprises]. It would be illogical and

would go against the interests of production to grant special privileges only to FEGANIC among the UNAG cattlemen. [passage omitted]

To increase the production of beef and milk, we must first improve the quality of the cattle belonging to small-, medium-, and large-scale cattle-raising enterprises. If these cattlemen do not have the money to purchase these cattle at $300, $400, or even $1,000 a head, and if we have a policy of encouraging the development of the cattle industry, I think it would only be natural to make it possible for these cattlemen to purchase cattle through banks, even at these prices. We would in this way improve the quality of the livestock and our chances of producing more beef and milk. [passage omitted]

It was necessary to discuss this problem during this meeting, because it would have been overlooked otherwise. The moment to bring it up is at hand. Because of this, companeros, we are pleased to meet with you for a while today to share your concerns, remarks, and criticism on this matter, which affects us all. Actually, MIDINRA [Ministry of Agricultural-Livestock Development and Agrarian Reform] is an institution at your service. The role of that institution is to serve. It is clear that that institution has been organized to improve production in a given territory, not to own the land in that given territory. It was formed to help organize production and to ensure supplies and resources for the producer. The operation of some enterprises has been criticized during this meeting, but the performance of some others has been acknowledged.

Some producers have pointed out here that MIDINRA has played a positive role. At other times, however, cattle-raisers have pointed out the negative role it has played when it has taken possession of small- and medium-size cattle-raising enterprises. The owners of these had hoped that there would be more give and take. These cattlemen, however, were shocked to see the institution seize their farms. This [seizure] is illogical. This is not the idea behind the territorial organization of production. To the contrary, this is a negative element that does not contribute toward the territorial organization of production. The role of the state institution is to back the producers, either through cooperatives or individually, and whether they are small-, medium-, or large-scale producers.

We must consider that this territorial organization is a relatively recent effort by the state. The application of this (?principle) has been under way for some time. It is important to be alert so that the institution can play the role assigned to it and so that it does not become a negative, counterproductive factor. In a meeting like this where we have discussed production problems and during which the UNAG has presented its willingness to defend the revolution in every way—militarily, through production, or politically—we are reminded of what Nicaragua is undergoing in relation to the U.S. aggression.

The U.S. President said yesterday during his weekly radio address that Mexico can find itself threatened if Congress does not approve more aid for the contras. Reagan said: What is at stake is the possibility that Nicaragua will become a communist beachhead on this continent. If the vision of a communist Central America becomes true and Mexico finds itself threatened, Reagan said, the next vote on contra aid may be the most important Congress will hold. Some say that supporting aid to the contras is equivalent to opposing the peace process; this is nonsense, Reagan remarked. And so went President Reagan's address yesterday. It was a warmongering, blackmailing speech, because he used the word communist; that is, they consider the word communism to be something bad. They have managed to depict the word communism as something bad. So, in using the word communism as something bad, as something diabolical, and then in depicting Nicaragua as communist, they claim that if contra aid is not approved, then communism will extend throughout Central America, reach Mexico, and threaten U.S. security.

So, any congressman who votes against contra aid will be playing communism's game. President Reagan makes some congressmen (?tremble) this way. [Words indistinct] even though I am against that policy, if I vote against President Reagan—that is, against financing for the war—what could happen is that my state or district will not vote for me in the next election since the President is accusing me of being responsible for communism becoming established in Nicaragua, spreading throughout Central America, reaching Mexico, and threatening the United States.

This is a policy of blackmailing the U.S. Congress on the part of President Reagan. This policy does not respect the agreements that we, the Central American presidents, ratified on 16 January in San Jose, Costa Rica.

We have been complying with everything, which was clearly stated by the international commission that visited the Central American countries and attested to the effort made by Nicaragua. We have even taken further steps after 15 January, and we announced new steps on 16 January to comply with the Esquipulas accords. These steps include the arrangement of a cease-fire, meaning talks to arrange a cease-fire.

This means Nicaraguan Government representatives will be part of the Nicaraguan delegation, which includes the advisors of the Nicaraguan Government. In this this case, the Nicaraguan delegation includes Mr Wischnewski—the West German gentleman that we invited to participate as a representative—accompanied by Comrade Tinoco, Comrade Wheelock, and a U.S. citizen, Paul Riechler.

Who would they meet with? With a U.S. Government delegation—the contras. What for? To discuss reaching a cease-fire. This means discussing a way for the mercenaries to end their military operations and to establish

themselves in a given territory. Immediately thereafter, (?there would be) a process of disarming. They would turn in their weapons and accept the amnesty. Anyone wishing to stay in Nicaragua could do so. Anyone wishing to live abroad as [words indistinct] received in another country. They could participate in the national political process with full rights.

The question is not to go and discuss political affairs with them. The question is not to go and discuss there what we are discussing here with the opposition parties. The issue is rather to discuss the arrangement of a cease-fire. The issue is that they stop participating in criminal and terrorist activities, lay down their weapons, and seek amnesty. That is the objective of this meeting.

On Thursday, 21 January, a meeting was held in Costa Rica. The cardinal arrived there to meet with these gentlemen. President Arias wanted the first meeting to be held there. I spoke with President Arias and said I completely agreed with this. President Arias spoke with Cardinal Obando y Bravo, and the cardinal said he agreed with that. At the same time, President Arias spoke with these people, and they said they would consider holding the meeting on Thursday, 21 January.

So, the Nicaraguan delegation arrived in Costa Rica. Mr Wischnewski even quickly arrived from the FRG. The contra delegation was there, as were the advisers they appointed: a Dominican gentleman and a Costa Rican gentleman. Cardinal Obando y Bravo was there, and even though there was a mood that favored holding the meeting, they said that they had not arrived for this purpose, that they were not prepared, and that they would not participate.

They were not interested in talks, because a meeting at that time would have affected the U.S. Government policy of requesting contra aid. This is because requesting further aid when direct talks were beginning on Central American territory—in San Jose, Costa Rica—to reach a cease-fire affected the speech of President Reagan, (?who) is making [word indistinct] for aid to be approved on 3 or 4 February.

This is why the U.S. Government told these people: Do not hold that meeting. These people are nothing but a tool of U.S. policy, so they held no meeting. The new date was set. Yesterday I met with Msgr Bosco Vivas, because Cardinal Obando y Bravo left for Rome and delegated his duties to Msgr Bosco Vivas. I told Msgr Bosco Vivas about my concern over what happened on the 21st in Costa Rica. I had already expressed this to the cardinal. I also told him my concern about what may happen on the 28th and the 29th, about the possibility of a meeting not being held—not because the Nicaraguan Government does not want it, but because the U.S. Government does not want one. They are not interested in discussing a cease-fire at the 28 and 29 January meeting in San Jose, Costa Rica—where there is an awareness of the fact that such a problem cannot be solved in one meeting—because it would be contradictory to see them approve funds for war only a few days after our meeting to agree on a cease-fire. That would be contradictory.

Since President Reagan is interested in war—and he said this in his speech yesterday, and he will say it again tomorrow in another speech he will give—they are not interested in this 28 and 29 January meeting. We have cautioned Msgr Bosco Vivas that what these people could do to prevent the meeting from taking place is to add one condition that is not envisaged in the Esquipulas agreement. Nicaragua has complied with the terms of that document. We have taken steps based on those terms, but we are not going to take steps that are not included in the agreement. They are studying this point. They will accept the meeting only if the Nicaraguan Government is prepared to discuss political matters: to establish a political dialogue with the contras and with some opposition groups that were in Guatemala trying to forge an alliance with the contras. This, of course, is not permissible. However, this would be the last-resort condition the U.S. Government would have to set so there would be no 28 and 29 January meeting. We have already cautioned Msgr Bosco Vivas [45-second station identification break] the U.S. Congress about the meeting not taking place if the condition is not met. Then President Reagan could say: They did not want to hold the meeting, and they did not accept a fair proposal from these people, so approve the aid. There is this threat. Nicaragua is ready to attend that meeting on 28 and 29 January in Costa Rica, but under the terms established with Cardinal Obando y Bravo in San Jose, Costa Rica on 21 January. These are the terms established in the Esquipulas agreement.

Yesterday, President Reagan delivered his speech for war. Also yesterday, at 2000, in the Lomas del Areno area, San Juan Department, 28 km east of San Carlos, on the Atlantic side, fighters from the Pedro Altamirano Battalion downed one of President Reagan's airplanes, a CIA supply plane that was dropping arms to the mercenaries. There are newsmen at that site now. When our fighters arrived they found a survivor—a mercenary—and four bodies. President Reagan's spokesmen in the United States have already acknowledged the downing of the plane and have mentioned 11 dead. This means there were 11 persons aboard that plane, a DC-6, a fairly large aircraft. There were 11 mercenaries in that plane. The Army has been able to capture one, and four bodies were found. The other six passengers have not been located yet, but the the people's fighters, the peasants of the area, are searching for them throughout that region.

What I have not yet noted is something that the prisoner has already reported: the point from where the plane had taken off. This morning we were not certain whether the aircraft had come from Honduran or Salvadoran territory. This question has now been answered: The plane took off from Honduran territory that is occupied by the United States. It took off from Swan Island with its cargo.

And it just happens that the Honduran vice president affirmed yesterday that there are no rebels in his country using its territory to carry out attacks on Nicaragua. He said that the only Nicaraguans in Honduras are crippled persons who will not be expelled from that country for humanitarian reasons. These gentlemen who left from Honduran territory were neither wounded nor crippled. This is an activity that has been mounted by the United States in Honduran territory. This is an activity imposed on the Honduran Government or carried out against the wishes of the Honduran Government. The United States has occupied Honduran territory to carry out these actions. It has command centers, the so-called strategic command, where it has supply bases such as Swan Island.

This is very clear proof of the violation of the agreements we signed in Guatemala on 7 August 1987 and that we ratified in San Jose on 16 January.

The accords are still being violated. Central American territory, in this case Honduran territory, is being used to sow death in Nicaragua.

The worst violator of this agreement, [words indistinct] and therefore does not respect us, is the U.S Government, who is the one behind all this.

President Reagan should think carefully and realize that his policy has been downed, defeated, and lost just like this plane has been downed by the people's forces. If he gets more aid approved, he still will not be able to defeat our people. He will not be able to defeat the truly democratic process that the Nicaraguan peasants and workers are defending.

Comrades, with this we close this meeting. We once again wish to state the acknowledgment of the FSLN National Directorate and the Nicaraguan Government of the work that you, as leaders of the UNAG in the various regions, have been carrying out amid great difficulties.

Vice President on Contra Aid Vote, Peace Talks

PA260325 Managua Radio Sandino in Spanish 1200 GMT 22 Jan 88

[Report on interview with Vice President Sergio Ramirez by correspondent Edgar Barberena in Guatemala; date not given—recorded; broadcast in progress]

[Text] Sergio Ramirez has been the Central American vice president who has been interviewed the most during the meeting of vice presidents here. Last night, following a meeting with the other vice presidents, Ramirez stated that if the U.S. Government supports the counterrevolution with millions in aid, it would be a serious blow to the Central American peace efforts made within the framework of Esquipulas. During his statements, the vice president referred to the lifting of the state of emergency in Nicaragua and his government's decision to approve an amnesty linked to a cease-fire. Here are part of his statements:

[Begin recording] [Ramirez, in progress]...expressed in the Esquipulas III agreement signed in San Jose, Costa Rica. The U.S. Government obviously did not like these accords. The United States wanted these meetings in San Jose to fail in the belief that such a failure would strengthen its arguments for approving more funds for the counterrevolutionary forces but it did not achieve this.

However, President Reagan is closing his eyes to reality and to the desires of the five Central American presidents, who decided to continue the peace efforts. The Central American presidents decided that any support for irregular forces violates the peace agreements and the hopes for peace in Central America. Reagan's stubbornness is adversely affecting this peace process.

That is why everyone has their eyes focused on what the U.S. Congress will decide on this aid. No matter how small this assistance is, it will be a mortal blow to the Central American peace process. We hope that good sense will prevail, and we hope to achieve the support of the U.S. Congress, to ensure the success of this peace process now that everyone is doing his share in favor of peace.

[Reporter] What will Nicaragua do if the aid is approved?

[Ramirez] Well, we do not want to think about what will happen, but about what is happening right now. I believe hypothetical answers to hypothetical questions are usually risky. We would like to say that we are complying with the accords, that the state of emergency has been lifted, and that the Anti-Somozist People's Tribunals have been disbanded, not because they are not needed, but because we are doing our share to contribute to the peace efforts.

In Nicaragua, we are also willing to approve an amnesty linked to a cease-fire agreement. Our delegation today traveled to Costa Rica ready to hold a meeting with the counterrevolutionary leaders. Cardinal Miguel Obando y Bravo also traveled to Costa Rica at President Ortega's request, but the contra leaders did not show up. They are not interested in peace negotiations. They are playing around with Cardinal Obando y Bravo, with President Cerezo, with President Arias, and with the other Central American presidents who are interested in peace.

We do not believe that the Reagan administration—with whom we are actually negotiating, since the contras just follow Reagan's orders—is interested in sitting down to negotiate a cease-fire, because that would mean the U.S. Congress would no longer approve funds for the counterrevolution.

These are the difficulties facing the peace process, but we believe they can be overcome. We have an important ingredient, which is the commitment of the Central American presidents. The desires of the Central American presidents should be respected, because these men have the right and authority to decide what will happen in Central America.

[Reporter] Why have members of the unarmed opposition been arrested?

[Ramirez] Well, they came to Guatemala to meet with the armed counterrevolution, which was publicized. Since we knew this, we had to find out what they had discussed. We wanted to know whether they would also arm themselves or whether they would carry out a conspiracy, in keeping with the terrorist plans of the counterrevolution.

We cannot allow irregular forces financed by a foreign government to have legal representation within the country. We will never accept that. These gentlemen were not placed on trial, and we did not put them before judges. We simply asked them to tell us what they and the counterrevolution talked about. That was it, and now they have been released.

[Reporter] [words indistinct]

[Ramirez] The situation in Nicaragua is a serious one, as is true in other Central American states. All Central American countries are suffering from strikes by workers, protests over the high price of staple items, protests over low wages, land being occupied by homeless peasants, inflation, strikes by cattlemen over unfair prices, and the problem of the foreign debt.

We Central American countries share common economic problems, but these are worse in Nicaragua due to the war of aggression, which causes death, destruction, and decreased resources. This situation will have no solution as long as we do not achieve peace. In Nicaragua, we have no magic solutions. We will keep on doing our best to prevent our ship from sinking, and we will try to make our economy survive. We will not currently find definite solutions as long as war continues. [end recording]

Interior Ministry Authorizes Media Reopenings

PA270235 Managua Domestic Service in Spanish 2300 GMT 26 Jan 88

[Text] The Communications Directorate of the Ministry of Interior has authorized the reopening of several media. First Lieutenant Lisette Torres, chief of the Communications Directorate, has released the following names of newscasts:

"Advance Information" of the Communist Party of Nicaragua [PCdeN]. This is on the official PCdeN radio station.

"Information Update" [Actualidades Informativas], broadcast by Francisco Rivas Quijano, on Radio Mundial. Another Radio Mundial newscast: "The Nicaraguan," operated by Francisco Rivas Quijano for the owners Enrique Bolanos Heyer, Jaime Bengoechea, and Alfonso Delgado.

On Radio Catolica, the reopening of "Newscast and Commentaries" by Cesar Rivas. On Radio Corporacion, the newscasts "Six O'Clock Sharp," and "Ten O'Clock Sharp," to be directed by Jose Castillo.

The reopening of certain radio programs was also authorized. We have here "Dialogue," run by Luis Diaz Cruz, and "Focus."

As for the printed media, the reopening of SOLIDARIDAD magazine was authorized. The publication is the mouthpiece of the Confederation for Trade Union Unity (CUS).

The magazine EL REPORTERO, whose editor is Arilo Mejia, is also reopened.

The weekly bulletins COSTAL DE NOTICIAS and COSAS DE LA FARANDULA, operated by Roberto Treminio Agurto, are also reopened.

These are the media authorized by the Communications Directorate of the Ministry of Interior to reopen within the framework of the Nicaraguan Government's compliance with the Esquipul II agreement. These media will reopen by direct instructions from Commander of the Revolution Tomas Borge Martinez, minister of interior.

FSLN Said Negotiating Pastora's Return

PA262153 Panama City ACAN in Spanish 1931 GMT 26 Jan 88

[Report by Marisol Marin]

[Text] Managua, 26 Jan (ACAN-EFE)—A high-ranking FSLN official has contacted Eden Pastora (the former Commander Zero) in San Jose (Costa Rica) to negotiate his possible return to Nicaragua, Latin American diplomatic sources told ACAN-EFE.

The sources pointed out that Julio Lopez, the official of the ruling party, met for couple of hours with Pastora on 16 January while the summit of Central American presidents was being held in San Jose.

When asked about this meeting, Nicaraguan President Daniel Ortega implicitly admitted it had taken place when he answered: "I can neither confirm nor deny that."

During a recent interview with ACAN-EFE, the conversation [with Ortega] concerning that point was as follows:

[ACAN-EFE]—Will Eden Pastora request amnesty or will he able to return without any conditions, as was the case with Miskito leader Brooklyn Rivera?

[Ortega]—I cannot say anything about that.

[ACAN-EFE]—Is it true that he met with Julio Lopez?

[Ortega]—I cannot answer you.

[ACAN-EFE]—Would you be in favor of Eden Pastora returning to join the civic struggle?

[Ortega]—We will see.

Daniel Ortega admitted that there are "undeniable" differences between Eden Pastora and the "contras," because "Eden was never a Somozist Guard. He participated in the struggle against Somoza and he had an oustanding record with the FSLN, but then he made the mistake of getting involved in armed actions against Nicaragua."

The Nicaraguan president was very firm when he denied that "there had been any type of contact" with contra leaders Alfredo Cesar or Alfonso Robelo. Some San Jose sources claimed these two contra leaders had been negotiating with the Sandinists.

On the same day of his meeting with Julio Lopez, Pastora—who is usually very loquacious—avoided discussing the meeting and refused to talk about his return to Nicaragua. "No, I cannot talk now; there are still many things pending," he told ACAN-EFE.

This is not Pastora's first meeting with officials of the Nicaraguan Government. Last October he was contacted by Minister Herty Lewites, of the Nicaraguan Tourism Institute. Their long talk yielded no results because Lewites told Pastora he would have to publicly request amnesty.

Pastora gained worldwide attention by leading the 22 August 1978 commando attack on the National Palace in Managua, an operation that precipitated the fall of Anastasio Somoza 1 year later.

Two years after the triumph of the revolution in July 1979, Pastora had a falling out with some of the leadership and left the country.

In 1982 he took up arms against his former comrades and created the Democratic Revolutionary Alliance (ARDE), which operated in southern Nicaragua, near the Costa Rican border.

Pastora admitted receiving help from the CIA, but he added that the CIA later attempted to murder him in La Penca during a news conference when six persons were killed.

He abandoned the armed struggle in early 1986 due to a lack of resources and men. Today he has a modest fishing business in San Juanillo, on the Pacific coast of Costa Rica.

Until now he has maintained that he would rejoin the Sandinist Front if it returned to its original principles of political pluralism, a mixed economy, and nonalignment.

If this was not the case, he would choose the civic struggle and create his own organization.

He insisted he has no intention of returning under the amnesty law "because that is for the contras, and I am not a contra." Pastora admitted he would like to return to Nicaragua on 22 August, the tenth anniversary of the attack on the National Palace.

Officials Discuss Fuel, Power Shortages

PA260407 Managua Radio Sandino in Spanish 1200 GMT 22 Jan 88

[Report on interview with Orlando Noguera, general director for operations for the Nicaraguan Energy Institute, INE, by unidentified reporter; date and place not given—recorded]

[Text] The fuel problem will persist until mid-February, even though the refinery has already begun operations and shipments of processed products and crude oil are being received, INE director Emilio Rappaccioli stated.

Rappaccioli said that on 28 January, a ship with 10,000 barrels of diesel fuel and gasoline will arrive. On 4 February, another vessel from the USSR with 42,000 barrels of oil will arrive. The scarcity of fuel will thus diminish with these two shipments. However, Rappaccioli stated that the problem will not be solved immediately. This is because after a crisis, inventories are totally depleted and require time to be replaced.

Moreover, in addition to problems already existing in Unit No 2 of the Nicaraguan plant and Unit No 2 of the Carlos Fonseca plant, Unit No 1 of the Nicaraguan plant is currently experiencing problems. This situation has forced the INE to extend power-rationing periods. Power cuts for today and tomorrow will last 5 hours. It is expected that by Saturday night all problems will have been solved.

Orlando Noguera, INE general director for operations, added that a new system for power cuts will be implemented with the aim of decreasing its effect on production.

[Begin recording] [Noguera] Two changes made to the energy-rationing plan. There will be power cuts on Friday, 22 January, and Saturday, 23 January. Due to serious problems in the 50,000-kilowat Unit No 1 of the Nicaragua plant, and in the 25,000-kilowatt Unit No 2 of

the Carlos Fonseca plant, we will have to extend power-rationing periods on these 2 days. The power-rationing periods will last 5 hours. This will only be in effect on Friday, 22 January, and Saturday, 23 January.

As a result of a series of meetings we have held with directors of different branches in the Ministry of Industry, with officials from the Ministry of Agricultural-Livestock Development and Agrarian Reform, and with officials from other productive sectors at a national and regional level, we have begun to work on a new power-rationing plan. This program will be announced on Friday, 22 January, and will become effective on Monday, January 25.

[Reporter] How have these power cuts affected industrial production in the country?

[Noguera] We believe that the power cuts have indeed adversely affected industrial production. In our talks with industrialists, we have tried to draft a power-rationing schedule that would have the least effect on industrial production. That can thus help us achieve our objective of rationing energy.

Ortega, GDR's Ott Hold 'Friendly' Talks

LD232256 East Berlin ADN International Service in German 1739 GMT 23 Jan 88

[Text] Managua, 23 Jan (ADN)—Harry Ott, member of the Central Committee of the SED [Socialist Unity Party of Germany] Central Committee, deputy foreign minister, and the GDR's permanent representative at the United Nations, reasserted the firm solidarity of the people of the GDR with the struggle of the Nicaraguan people. This struggle is full of sacrifice, and is led by the FMLN for the defense of its revolutionary achievements. Ott was received yesterday evening by Nicaraguan President Daniel Ortega in Managua for friendly talks.

President Ortega paid strong tribute to the GDR's active support for Nicaragua and explained his country's initiatives at the Central American summit in San Jose. He reasserted his readiness to do everything possible for a peaceful settlement of the conflict in the region and thus for attaining world peace.

Argentina

Alfonsin Seeks Regional Parliament Approval

PY242040 Buenos Aires BUENOS AIRES HERALD in English 23 Jan 88 p 11

[Excerpt] (NA-DYN)—President Raul Alfonsin last night sent a draft law to Congress calling for the approval of the Treaty for Institutionalization of the Latin American Parliament, the creation of which was considered "necessary" by the heads of state of the democratic nations of the region.

The president's message to Congress states that the permanent, regional and single-chamber organism "will become the fundamental instrument for the consolidation of democratic processes and will boost the integration of Latin America."

Argentina signed a nine-article treaty for the creation of this forum in Peru last November 16, along with almost all democratically-governed nations in the continent.

Among other things, the treaty stresses the principles of "the defence of democracy, Latin American integration, non-intervention, self-determination, political and ideological pluralism, the repudiation of threats and the use of force and the peaceful solution of international controversies." [passage omitted]

Economy Ministry Denies IDB Ineligibility

PY251426 Buenos Aires LA PRENSA in Spanish 23 Jan 88 pp 1, 4

[Excerpt] Economy Ministry sources last night denied that the IDB has decided to declare Argentina "ineligible" because it has $42.6 million worth of overdue payments.

The sources pointed out that although the country is behind in some credit payments, this is true only of some organizations, which are late in their payments. Other debts are being paid regularly.

As an example, the sources stated that some days ago, Hidronor Company received a $17-million check as part of a loan which had already been granted.

In the case of organizations that are behind in their payments, the new credits are being held up until the delayed payments are normalized.

The sources also pointed out that during the last meeting of the IDB Board, Argentina did not request any new credit. Therefore, the IDB could not declare the country "ineligible," a term that is not even used by the IDB. The financial sources expressed surprise that this rumor was spread by an international news agency, which cited Washington financial sources, because Jorge Sakamoto, Argentine representative to the IDB Board, did not report this fact. [passage omitted]

Rico Case Decisions, Command Changes Reported

Colonels in Rigorous Detention

PY261940 Buenos Aires TELAM in Spanish 0909 GMT 26 Jan 88

[Text] Buenos Aires, 26 Jan (TELAM) — Military Judge Colonel Mario Serra, retired, has decided to hold Lieutenant Colonels Enrique Venturino and Luis Polo under rigorous preventive detention for their participation in the recent military crisis.

This was reported today by LA NACION, citing a highly reliable source. The daily adds that in the next few hours a similar decision will be issued regarding former Lieutenant Colonel Aldo Rico.

Rico Refuses To Testify

PY261842 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1720 GMT 26 Jan 88

[Text] La Plata, 26 Jan (NA) —Juan Carlos Ferrari, court-appointed defense attorney of former Lieutenant Colonel Aldo Rico, has reported that the defendant refused to testify before Federal Judge Angel Oliva, of Paso de los Libres, in the Monte Caseros incident case.

Ferrari also reported that Lieutenant Colonel Alvarez Igarzabal, former Monte Caseros 4th Regiment commander, also refused to testify before a judge, and that Rico had requested that lawyer Edgardo Frola be his defense attorney.

Ferrari, Judge Oliva, and La Plata Judge Manuel Blanco visited the prison from 1050 to 1330 today.

Rebel Officer Views Crisis

PY262155 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1500 GMT 26 Jan 88

[Text] San Miguel de Tucuman, 26 Jan (NA) —Fugitive Lieutenant Colonel Luis Leon, one of the leaders of the recent military crisis, has said that it is "possible" that "the military problems will get worse" in the future. He also admitted that "General Caridi has scored a great political victory, although from the military point of view it was an empty victory."

Leon made these comments in a document which he handed to a reporter of LA GACETA, in some part of this city. After handing the reporter the document, Leon took a taxi and left for an unknown destination.

According to an article published in LA GACETA today, the fugitive military officer said: "Because the Army internal crisis is not definitively solved, this chapter is not entirely closed, and another one, probably more controversial and politically charged, will start."

The document delivered by Leon says: "The rumor that Rico will seek to oust the president, or attempt a coup d'etat, is part of a disinformation campaign probably launched by those who may be planning the ousting or the coup."

These statements coincide with the contents of a letter distributed by Leon a few days ago. In the letter, he says: "I did not run away; I did not escape from anyone. I simply left the 19th Infantry Regiment."

Leon emphasized that the Executive Branch decision to "make discipline the most important value (which it is not), and to involve the other branches of the Armed Forces in the conflict, put Lieutenant Colonel Aldo Rico in the difficult position of ignoring the president's authority as the commander in chief of the Armed Forces—which Rico could not do—or giving up his ideas."

Leon says that, in his opinion, Rico did not rebel or surrender. He was simply fooled.

Regarding the 4th Infantry Regiment based in Monte Caseros, Leon said: "It did not rebel; it simply protected a comrade in arms."

Leon asserted that after General Caridi became Army chief of staff, "to the joy of the Marxist subversives, the deterioration within the Army became worse than it was in April 1987."

In another part of the document, Leon said: "In my opinion, the entire incident was part of a plan by General Caridi, and the high chiefs under his command, to eliminate from the Army the chiefs that commanded Operation Dignity and to put an end to the operation."

He added that "Rico was not planning any critical action while he was under house arrest," and that "the crisis was fueled by Gen Caridi, who, upon returning from Israel, cornered Rico from a legal, psychological, and military viewpoint, forcing him to display a rebellious attitude in response to the abuse of authority."

In civilian clothing, his mustache shaved, Leon did not let the reporter take any pictures of him, obviously because he did not want to reveal his new look. In recent pictures, Leon appeared dressed in a military uniform and with a small mustache.

In the document, which deals almost exclusively with the military incidents, Leon said that Rico "did not seek to destabilize the institutions, but to publicly denounce Gen Caridi and try to find shelter at any unit where he might be welcomed."

"This is what he did in view of the obvious injustice involving the manipulation of his trial and the replacement of the appropriate judge, the officers and noncommissioned officers will express their repudiation, and then a senior officer or the executive will request his dismissal." [sentence as received]

The newspaper LA GACETA today published the highlights of the document which, according to journalistic sources, reflects the position of Leon, who, according to a deadline that has been set, must turn himself in by tomorrow. If he does not meet this deadline, he will be dismissed from the Army.

Army Staff Reports Appointments

PY270043 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2220 GMT 26 Jan 88

[Text] Buenos Aires 26 Jan (NA) —This afternoon the Army Staff released the following communique:

The Army General Staff reports that the following appointments have been made: Colonel Francisco Salas was appointed commander of the 5th Infantry Brigade, headquartered in Tucuman; Colonel Diego Soria is the new deputy commander of the 3rd Infantry Brigade, headquartered in Curuzu Cuatia; and Colonel Tomas Casella was named the new chief of staff of the 3d Infantry Brigade.

Further on Tucuman Commander

PY261451 Buenos Aires TELAM in Spanish 0051 GMT 26 Jan 88

[Text] San Miguel de Tucuman, 25 Jan (TELAM)—Colonel Francisco Ricardo Salas has been designated commander of the 5th Infantry Brigade, headquartered in Tucuman. Salas will assume his post on 28 January during a ceremony presided over by III Army Corps Commander General Roberto Dominguez.

Colonel Salas is currently serving on the Army General Staff. He is from Tucuman and will arrive in the city to talk with officers of the 5th Brigade in the next few days.

Salas replaces Colonel Carlos Farwig, who, according to official Army reports, has requested retirement after the incidents at the 19th Infantry Regiment, which was taken over by Lieutenant Colonel Angel Leon during the rebellion headed by Aldo Rico in Corrientes. Leon remains at large.

The official communique regarding Salas designation was received at the command of Tucuman's 5th Infantry Brigade today.

Brazil

Abreu Sodre Denies Sales of Weapons to Iran

PY262327 Brasilia Domestic Service in Portuguese 2100 GMT 26 Jan 88

[Text] Foreign Minister Abreu Sodre today denied that Brazil had sold any type of weapons to Iran, but confirmed that the government is closing a deal to supply weapons to Libya, for a possible total of $2 billion.

Abreu Sodre said the weapons sales that are being negotiated with Libya involve only defensive weapons. He added that the rockets and missiles that Brazil will provide to Libya have very short ranges. Sodre made this remark at the Brasilia Air Base after returning from Suriname.

Sodre stressed that he did not know anything about U.S. Government displeasure concerning the commercial operation with Libya. According to a press report, the Reagan government protest was transmitted to the Brazilian ambassador in Washington, Marcilio Marques Moreira.

'Strictly Private' Al-Qadhdhafi Visit Possible

PY252058 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Jan 88 p 2

[By Roberto Godoy]]

[Excerpt] Libyan leader Mu'ammar al-Qadhdhafi might come to Brazil in March on a strictly private visit in which he will deliver the keynote speech at the graduation ceremony of the 1987 class at the Human Science and Letters Institute of Goias. According to information passed to the students by Charge d'Affaires Mahdi Khalifa-Abutara, al-Qadhdhafi "is seriously considering accepting the invitation." In view of this intention, members of the graduation commission have been discreetly advised to hold the ceremony that was scheduled for last year this year, so as to accommodate al-Qadhdhafi's agenda.

The Libyan leader has sent autographed copies of his "Green Book" for each of the graduating students. Reportedly, he may have extended an invitation to the class for a 12-day visit to Libya, at a date to be set, with all expenses paid by the host. Al-Qadhdhafi's visit under these conditions will ease the situation for the Brazilian Government which can then permit the visit of the radical Arab leader, but without the official protocol accorded heads of state. After the graduation ceremony, al-Qadhdhafi would be free to go where he wants. For instance, he could visit war materiel industrialists who are now negotiating a contract to supply the Libyan Armed Forces. [passage omitted]

Scientists Skeptical About PRC Nuclear Accord

PY200006 Brasilia Domestic Service in Portuguese 2100 GMT 19 Jan 88

[Text] The agreement signed between Brazil and the PRC has been received with reservations by the scientific community. According to the agreement, the two countries will engage in industrial cooperation for the development of reactors and other nuclear projects. But the scientists' main concern is that the agreement could include cooperation in this sector for military purposes, or that it could be conducive to the development of the atomic bomb in Brazil.

Minister on Economic Policy, Price Controls

PY261718 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 26 Jan 88

[Text] The Planning Ministry is studying a new economic policy, and Minister Joao Batista de Abreu discussed it with President Sarney this morning. [Begin recording] [Joao Batista de Abreu] I do not believe we should establish ambitious goals for the time being. I think that during our term in office, we must first do our best to prevent the inflation rate from going up, and later we will really succeed in reducing the inflation rate.

[Reporter] Do you think that, to reduce the inflation rate, prices should be controlled?

[Joao Batista de Abreu] I believe that in a crisis such as the one we are having in Brazil, all solutions must be considered, including temporary price controls to prevent an increase in inflation. [end recording]

Chile

Foreign Ministry Forwards U.S. Petition

PY252042 Madrid EFE in Spanish 1714 GMT 23 Jan 88

[Text] Santiago, 23 Jan (EFE) —The Chilean Foreign Ministry has passed to the Supreme Court of Justice the request made by a U.S. Court to question Chilean General Hector Orozco, who is involved in the murder of former Foreign Minister Orlando Letelier.

Letelier, who was the late Socialist President Salvador Allende's foreign minister, was murdered in Washington on 21 September 1976.

Chilean Foreign Ministry sources in Santiago pointed out today that the Foreign Ministry is only acting as intermediary in forwarding the District of Columbia court's request with regard to questioning retired General Hector Orozco.

The sources added that the Supreme Court of Justice will decide whether or not to agree to the request.

The Foreign Ministry also reported that Deputy Foreign Minister Brigadier General Ernesto Videla's trip to the Middle East, which was scheduled for early February, has been postponed.

Videla's trip, which is allegedly merely for trade purposes, will include visits to Jordan, Saudi Arabia, Egypt, Kuwait, and Oman.

FRG Consul Confirms Colonia Dignidad Incident

PY231822 Madrid EFE in Spanish 1635 GMT 23 Jan 88

[Text] Santiago, 23 Jan (EFE) — Dieter Haller, FRG consul general in Chile, has confirmed press reports concerning an incident involving the FRG ambassador to Chile, Horst Kullak-Ublick, when his helicopter attempted to land in Colonia Dignidad.

The FRG ambassador and German Catholic Bishop Emil Stehle were on board a Carabineros helicopter when the helicopter pilot tried to land in the colony. Suddenly several magnetized metal sheets flew toward the helicopter's propellers.

According to press reports, only the skill of the pilot, a Carabineros officer, prevented an accident.

Lieutenant Colonel Mario Salame, Carabineros public relations chief, today confirmed that the helicopter traveled to Colonia Dignidad but did not mention the incident.

About 300 Germans live in the colony and, according to former members of the colony who have escaped and now live in Bonn, people in the colony live under conditions similar to those in a concentration camp.

The leaders of the colony, headed by Paul Schaeffer, were recently accused by Amnesty International for cooperating with the Chilean secret police in the arrest, torture, and disappearance of political prisoners.

FORTIN MAPOCHO today said Consul Dieter Haller reported that the FRG Government "is studying the incident; it is conducting an investigation, after which it will make a recommendation."

Haller explained that the conclusions of the investigation will be submitted to the FRG Embassy in Chile and the Chilean Foreign Ministry may also be informed of the results.

Mexican Paper Aiding 'Defamation Campaign'

PY230218 Santiago Domestic Service in Spanish 2200 GMT 22 Jan 88

[Text] Chilean Marxist groups in Mexico City have stated that President Pinochet's government has started a so-called Operation Treblinka aimed at murdering Socialist and Communist leaders, as well as the leaders of Christian groups.

This unlikely bit of news was published by the Mexico City newspaper LA JORNADA, which did not mention, however, the sources of the defamation campaign. LA JORNADA only reported that the details of Operation Treblinka were known only to two unidentified Chilean Socialists who recently visited Mexico City.

Several disinformation campaigns against Chile have been launched from the Mexican capital. The objective of these campaigns is to have other sectors of the international media reproduce the articles and thus feed the endless campaign to distort the Chilean reality.

Cardinal's Remarks on Pinochet Criticized

PY271020 Santiago Domestic Service in Spanish 2200 GMT 26 Jan 88

[Excerpts] Beltran Urenda, president of the Socioeconomic Council, today said that as a Christian and Chilean he is deeply hurt about the remarks made by Cardinal Raul Silva Enriquez in the FRG to the effect that President Pinochet's days are numbered.

Urenda said that he cannot understand how a cardinal, who was the head of the Chilean Catholic Church, could make such an incorrect and violent statement.

According to press reports, Cardinal Silva termed the Chilean situation as very bad. He said this is the case, quote, because General Pinochet does not want to leave. He wants to die dictator. This man's days are numbered if he leaves Chile because he will be killed, unquote.

Beltran Urenda also said that Cardinal Silva was wrong when he said that communism has made progress in our country, because, in fact, the Marxist influence is now much weaker than in the past. [passage omitted]

Sergio Onofre Carpa, president of the National Renewal Party, said that the statement by Cardinal Raul Silva Enriquez in the FRG, which was published by the international news agencies, is incredible.

Jarpa said: It is incredible that Cardinal Silva could have made that statement in Germany. [passage omitted]

PDC Proposes Alternate Plebiscite Candidates

PY251726 Madrid EFE in Spanish 1914 GMT 24 Jan 88

[Text] Santiago, 24 Jan (EFE)— Adolfo Zaldivar, leader of the Chilean Christian Democratic Party [PDC], has said PDC President Patricio Aylwin should head the campaign for a "No" vote in the upcoming presidential plebiscite.

In comments published today in the newspaper LA EPOCA, Zaldivar said that if we start looking for another leader within our party "we will not only remain paralyzed, but we will also be holding a senseless internal argument for 2 or 3 months."

He requested those "who aspire to become candidates to wait for a while, because no candidacy has been launched yet. So do not show your intentions."

Progressive sectors of the PDC, headed by union leader Manuel Bustos, proposed Gabriel Valdes, former PDC president and foreign minister, as candidate to represent the "No" option in the plebiscite.

Traditionalist PDC groups proposed such names as Eduardo Frei Ruiz Tagle, son of former president Eduardo Frei Montalva, who governed Chile from 1964 to 1970.

According to Zaldivar, Patricio Aylwin "does not have personal ambitions—unlike others—and his appointment would strengthen the PDC."

The current Chilean Constitution specifies that the presidential plebiscite scheduled for the second half of this year will be held to approve or reject a single candidate.

This candidate will be proposed by the commanders in chief of the Armed Forces and the Carabineros director general.

If this candidate is rejected by the voters and "No" wins the plebiscite, General Pinochet will govern for 1 more year as president, and general and open elections for president and congress will be held in 1990.

In statements published in EL MERCURIO, PDC leader Genaro Arriagada, coordinator of the campaign for a "No" vote in the plebiscite, explained that the opposition seeks someone to head this "No" campaign as a spokesman rather than as a candidate.

Official Cited on Guerrilla Coordinating Board

PY230210 Santiago Domestic Service in Spanish 2200 GMT 22 Jan 88

[Text] Attorney General Ambrosio Rodriguez today said at La Moneda Palace that the International Guerrilla Coordinating Board, which has been recently created, is commanded by Cuban and Nicaraguan agents.

Rodriguez added that this guerrilla organization has politically reunited the Movement of the Revolutionary Left (MIR) and the Manuel Rodriguez Patriotic Front [FPMR] under Cuban command.

He said the Communist Party is seeking to obtain absolute control of the FPMR and to prevent Chile from completing the institutionalization process in which it is engaged.

Rodriguez warned, however, that these plans will be frustrated by the country's decision to firmly tread the path toward democracy.

Ambrosio Rodriguez explained that the International Guerrilla Coordinating Board held two meetings abroad that were attended by terrorist groups from Cuba, Colombia, Ecuador, Venezuela, Chile, and other countries.

He pointed out that this board replaces the dismantled Latin American Organization of Solidarity (OLAS). He added that one of the board's goals for Chile this year is to demonstrate that there is no connection between the FPMR and the Communist Party. Rodriguez pointed out it is known the MIR and FPMR are reorganizing their cadres of militants and sending some of them to Cuba and the GDR.

Power Blackout Affects Entire Central Region

PY261429 Madrid EFE in Spanish 1315 GMT 26 Jan 88

[Text] Santiago, 26 Jan (EFE)— It has been reported that there was a blackout today throughout the entire central region. It lasted for 25 minutes, from 0808 to 0833 (1108 to 1133 GMT). Although the reason for the blackout has not been revealed, it has been reported that it extended from the 3d Region in the north to the Metropolitan Region in the south, a distance of approximately 1,000 km.

The first official reports indicate that the blackout, which caused problems in elevators and offices, and closed down Santiago's metropolitan railway, was caused "by the lack of power supply to the central grid," although the cause of this lack of power has not been reported.

Further on Blackout

PY261859 Santiago Domestic Service in Spanish 1600 GMT 26 Jan 88

[Text] The 15-minute blackout that affected Santiago and a sector of northern Chile this morning was caused by a technical breakdown.

This statement was made by the public relations department of the National Electric Power Company, Inc (ENDESA) through an official communique, which states the following:

As a result of a technical breakdown, whose origin is being investigated, two 500-kw powerlines, linking Cerro Navia and Alto Jahuel, were disconnected, causing a blackout at 0808 this morning. The blackout affected the entire area between Santiago and Taltal.

ENDESA began restoring the electric power service at 0820, supplying power to the 110-kw grid from Cerro Navia, and at 0850, supplying power to the San Pedro sub-station in the 5th region.

Terrorists Bomb Valparaiso Parking Lot
PY251442 Santiago Domestic Service in Spanish 0930 GMT 25 Jan 88

[Report from Valparaiso by (Peter Julien)]

[Excerpt] A strong explosion was heard in Valparaiso at around midnight, as many people were about to go to bed.

The attack occurred at a municipal parking lot in Valparaiso where 11 vehicles were under the vigilance of a municipal security guard.

The bombing occurred last night at 2327. It has not been reported what type of bomb caused the blast, which completely destroyed and burned 10 of the vehicles. A pickup truck was only slightly damaged.

Police sources believe these vehicles had been sprayed with flammable liquids so that the blast would ignite them. A 15-kg gas bottle, which was in the center of the outdoor parking lot, also caught fire.

The municipal parking lot is located on Edwards Street, only half a block from Victoria Square. Fortunately, no one was hurt in the explosion. [passage omitted]

'Subversives' Steal Dynamite From Mine
PY231538 Santiago Domestic Service in Spanish 0930 GMT 23 Jan 88

[Relay from La Serena]

[Text] The police and security forces are conducting an intensive investigation in Andacollo, a community of (Enti) Province, to find the subversives who carried out an assault on the explosives depot of Las Avenillas mine.

A subversive group wearing ski masks and carrying weapons entered the mine and, after tying up the six workers on the midnight shift, stole 200 sticks of dynamite. Police think the subversives are a cell, trained abroad, of the Manuel Rodriguez Patriotic Front terrorist organization, which is the armed branch of the Communist Party.

Carabineros officer (Sergio Estebe Leon) told this radio station that personnel under his command are conducting dragnet operations in Andacollo, and this operation will be extended to the mining region in the next few hours. It is believed that the armed group is still in the city because strict traffic control is being conducted to prevent them from escaping.

The mine guards were not able to provide much information because when the assault occurred it was still dark and the subversives were wearing masks. The operation by police and security forces in Andacollo is intensive.

Colombia

Hoyos' Killers Say 'War Continues'
PA261843 Madrid EFE in Spanish 1628 GMT 26 Jan 88

[Excerpt] Bogota, 26 Jan (EFE)—Anonymous spokesmen for drug traffickers have claimed responsibility for the assassination of Colombian Attorney General Carlos Mauro Hoyos and added that "the war continues."

The men who made the telephone calls to the media pinpointed the place where Hoyos' body was dropped yesterday near Medellin and maintained they will continue fighting the extradition of Colombian drug traffickers to the United States.

In one of these calls, they stressed that Hoyos, who defended the extradition, "was executed because of treason to the fatherland"

Calls were also made threatening the owners—the Santos and Cano families—of the newspapers with the largest circulations in Colombia. The Santos and Cano families own EL TIEMPO and EL ESPECTADOR, respectively.

A man who called EL ESPECTADOR and identified himself as a member of the "Pabon Jatter Command" of "The Extraditables" group said: "Begin drafting a list of the properties owned by the Cano and Santos families." He was apparently referring to reprisals against these newspapers for publishing a list of properties owned by drug mafia leaders. [passage omitted]

Barco on Social Change Programs, Other Issues
PA211400 Bogota Inravision Television Cadena 2 in Spanish 0242 GMT 15 Jan 88

[Speech by President Virgilio Barco Vargas; date and place not given—live or recorded]

[Excerpts] Fellow countrymen: Regarding what I said yesterday on the new jurisprudence of the Supreme Court on public order, many media sources speak today of confrontations. Not at all; the government noted the situation existing in the country, and made the appeal that it be assessed in that manner.

Furthermore, I reject the proposal to abolish the court and other institutions. I believe, and it is very important, that the public—which claims that the state of siege is necessary to adopt exceptional measures to control the grave disruptions of public order—have now learned about the evolution of the court doctrine and its consequences.

Today, I will reiterate what this government is doing to fulfill the promises of social change made during my campaign. I realize that for some persons it is not important to protect children; to offer them a minimum of nutrition to safeguard their physical and intellectual development; and, in general, to strive to improve a century-long situation of misery in which millions of Colombians have lived. I do not share the lack of sensitivity in the face of poverty. One of the main pursuits of my administration has been to eradicate and alleviate poverty. On occasion—because of a lack of resources and, in other cases, because of an orientation that gave preference to economic growth—social justice toward the weakest sectors had been postponed.

This administration has no reason to lessen the firmness with which it has assumed a new orientation to benefit the poorest sectors of Colombia. The poverty-ridden can be sure that I am obsessively working on their behalf and, even within the confines of our limited resources, I will improve their precarious living conditions.

Today I will refer to an aspect that perhaps represents the largest imbalances in the budget of the lower-income sectors: housing and public services. The new policies and handling of urban problems will accelerate the process of change. Although former administrations gave an important stimulus to the housing problem, a significant reduction in the housing shortage has not been achieved. The lack of housing has become enslavement for the poor. Even half of the time worked is barely enough to pay for the homes purchased, rented, or leased, or to buy materials to build homes. Land hoarding and speculating for building houses are severely affecting their cost. These can be mentioned as factors that generate poverty. This situation can only be definitively corrected through the application of new regulations on the use of urban land, regulations such as those being studied by the Congress at the government's behest. Respecting the right of property, the constitutional rules that order the state to orient the economy toward social justice and toward a harmonious and integrated development of the community and working classes, in particular, must be implemented. Although the annulment of a privilege may cause discontent among the few who had benefitted from it, the government will insistently propose to Congress this year a law that facilitates urban development to benefit those who at present are confined to the shantytowns and substandard living conditions.

The cost of solving the housing problems must lie within everyone's reach. During 1987, my government implemented the policy of human settlements. It recognizes that the family not only requires a place to sleep, but also a place to develop family life, to fulfill its economic needs, and to join the social process. [passage omitted]

The poor pay with their lives and suffering for their audacity to seek with their own means a roof for their families. The substandard settlements generally correspond to unstable regions requiring special urban reorganization and other regions requiring costly investments to stabilize them and to provide them with public services.

In Medellin, we began the rehabilitation of 15 settlements that house more than 40,000 persons. The program will be expanded to 40 settlements, at an estimated investment of more than 6 billion pesos. We are currently constructing roads, implementing projects to protect against mudslides, and relocating some homes. El Volador Hill is being adapted as a large green area for popular recreation in the vinicity of Medellin's poor neighborhoods.

The inhabitants of Villa Tina have been relocated. The mayorship has accepted the contracts for urbanization projects, while the public enterprises will be in charge of installing the services. We received the cooperation of the Minuto de Dios Corporation and the Antioquia Presente Foundation. The 228 families that were left homeless may now be able to enjoy a new, dignified, and safe home this year.

In the city of Cali, which following Bogota has the largest number of substandard homes, there are now 299 settlements and adequate services. We have invested 1.5 billion pesos there to expand the aqueduct and sewer services, power, and telephone lines. An additional 1 billion pesos are planned for community services in education, health, recreation, and roads. [passage omitted]

The Barranquilla municipal council signed an agreement in 1987 that will serve as a model for other municipalities. A provisional land surtax is established for the programs to fight absolute poverty. In the medium-sized cities, in keeping with the plan outlined by the national government in Decree 3735 of 1986, social development commissions have been formed. Similar plans are also under way for the intermediate-size cities such as Manizales, Bucaramanga, Pereira, Dos Quebradas, Armenia, Buenaventura, Cucuta, Popayan, and Neiva.

There are cases such as in Buga, where integral solutions have been reached for substandard settlements. On 14 December, 300 families who lived in a shantytown on the slopes of a hill were transferred to lots equipped with all services and located on flat ground. Some 1,800 families who lived in slum areas became part of the beautiful city of Buga.

As for the smaller towns, all the departmental governments, through their planning offices, are undertaking a program known as the immediate action plan to finance and promote the development of 125 poor municipalities. Three models are being followed that have been successfully undertaken in the townships of Beltran, Tabio, and Gaira.

In this way, within a few months, places of extreme poverty are being turned into centers of exemplary progress.b For example, Antioquia is promoting this program of immediate action with a departmental contribution of 100 million pesos. The government of Cundinamarca adopted an investment plan for 1988 in which 540 million pesos are allocated for the poorest zones. Caldas, El Cesar, and 17 other departments are also working to develop their small municipalities. [passage omitted]

Electrification has also been directed toward the poorest areas of the country. In addition to extending the electricity grid, small power plants have been installed to benefit over 596,000 people in 200 municipalities. I can state that 80 percent of the national territory will have electricity by 1990.

The service that is most needed in all rural areas is telecommunications. It is a means of overcoming geographic isolation and of providing access to urgent health and security services. For this reason, we have drawn up the national rural telecommunications plan, which covers the entire country. In August 1987, bids were solicited for a 35-billion-peso project to provide efficient communications service to 481 communities in the Amazon and Orinoco regions. This formidable project will be implemented this year. Its goal is to provide services to at least 3,600 towns to improve the communications of the whole peasant sector and to provide emergency services to the peasants, which they are fully entitled to. [passage omitted]

Fellow countrymen, with the support of most Latin American countries, the Colombian Government yesterday introduced at the OAS a draft resolution on the measures taken by the U.S. Government against Colombian citizens and exports. This unacceptable retaliatory action occurred because a criminal court judge had ordered the release of Jorge Luis Ochoa. The extraordinary session of the OAS Permanent Council was held this afternoon. During this meeting, the ambassadors of 12 countries—Argentina, Brazil, Chile, Ecuador, Haiti, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela—spoke in favor of the Colombian proposal. Ambassador Dr Carlos Lemus, head of the Colombian delegation to the OAS, accepted a proposal by the United States and some English-speaking island states to delay the vote until tomorrow afternoon. The Colombian Government wishes to recognize the timely solidarity of the fraternal Latin American nations, and it appreciates it.

Tomorrow, I will comment on other very important issues such as health, education, prices, and employment. Good night until tomorrow.

Views Economic Situation

PA221529 Bogota Inravision Television Cadena 2 in Spanish 0307 GMT 16 Jan 88

[Speech by President Virgilio Barco Vargas; date and place not given—live or recorded]

[Excerpts] Fellow countrymen: Tonight the OAS has voiced its satisfaction with Colombia's actions to eradicate drug trafficking and consumption. It also recognized our country's strong actions against the production and illegal trafficking of drugs and hallucinatory substances. All the American states represented at the OAS also have approved the resolution that contains assurances the United States will not adopt discriminatory measures against Colombian nationals, legal exports, or Colombian aircraft. Such measures are virtually suspended. Also, the OAS member states, including the United States, reaffirmed that the principle of cooperation in the fight against drug trafficking should be fulfilled in keeping with the Rio de Janeiro treaty, free of pressures of any sort.

On behalf of the peoples of Colombia, I wish to thank all the OAS member governments who approved the resolution for their frank and decided support. I especially thank the cosponsors of the Colombian proposal and the many other non-cosponsors who voted for us.

I also wish to express my appreciation to President Reagan for the letter sent to me today through his ambassador, justly stressing Colombia's struggle against drug trafficking, and his determined commitment to accompany us in this crusade.

In earlier speeches, I reviewed with you the important results obtained in the process of gradually integrating the poor sectors and their families to civil society through direct aid and self-help programs.

Today I conclude the report I announced to you on 31 December regarding the progress achieved in the social change programs. I now plan to review with you the progress achieved in rendering essential state services, the results obtained in providing dignified jobs with adequate pay to more Colombians, and the expansion and progress achieved in the social security programs. [passage omitted]

Basic health for all is a genuine right. Social welfare for all, which the state is obliged to secure and the government is intent on promoting, does not depend only on the allocation of additional state resources. It basically requires creating mechanisms of effective solidarity in which the healthy indirectly contribute to benefit the sick; youths contribute to benefit the elderly, the workers contribute to benefit the unemployed, and the wealthy

contribute to benefit the poor. These means are obtained by strengthening the obligatory social security and creating new voluntary social security services within the reach of the lower-income sectors. The government proposes this year to obtain regulations in this respect. Meanwhile, the Health and Labor Ministries will work within the existing laws, the special basic health program, to develop the regulations of the obligatory social security service. [passage omitted]

Production has increased, especially the stimulation of the small agricultural and industrial producer. The supply of basic goods has been ensured with abundant offers, leading to subsequent reductions in price. This greatly contributed to improving lower-income families' living standards. To achieve this, we have stimulated production and improved the channels of commercialization. In 17 months, the Popular Financial Corporation has granted more than 3,500 loans worth $11,722 million to small and medium industrialists dealing in clothing, food, furniture, footwear, and other essential goods. [passage omitted]

The production of foodstuffs has been especially promoted by the specialized credit system of the Agrarian Fund, the Agrarian Reform Institute, and the Rural Integrated Development Fund, seeking to preserve low costs. About 15 billion [currency not specified] in credit has been given to small farmers in 1987. One of the most serious problems in food supply has been the deficiency in the commercialization network. Therefore, as I explained recently, the Agricultural Marketing Institute, IDEMA, has acquired more than 75,000 tons of food, thus fulfilling a regulating function. [passage omitted]

The price policy has been administered by the government with enough prudence to avert reducing the stimulus to the producer and the resulting speculation. But I cannot express total satisfaction with 1987's results; I would have preferred more de-acceleration.

Inflation is the most unjust tax that exists, because it principally affects the poor sectors. A policy of prices and wages can reduce the adverse effects of inflation.

The increase in gasoline and transportation tariffs was less than the price increases, preventing them from accelerating increases in other goods and services.

In contrast, there has been an increase in the minimum wage, which totally compensates for the loss of buying power in 1987.

The assessment is favorable to the working classes, not only because that is the government's spirit of social justice, but because the strengthening of family budgets is the most effective path to activate all of our economy. This year we will make new efforts to reduce inflation, using the diverse instruments of political economy and improving control of those products of which prices increased because of a lack of competition or ineffective surveillance mechanisms.

Fortunately for workers, the policy concerning jobs and wage increases has had a clear effect in improving family income. In June 1986, the unemployment rate was 15 percent.

The unemployment rate is now 10 percent. A detailed study of these figures indicates that the decrease in this rate has been continuous since September 1986. For example, last year 77,000 new jobs were created in Bogota, 28,000 in Medellin, 27,000 in Cali, and 8,000 in Barranquilla. If this trend continues, the country will soon be able to return to a normal situation regarding employment and salaries. [passage omitted]

There are more jobs, there is more comfort, there is more purchasing power, there are more profits, and there is economic improvement accompanied by social change. This was what I promised and I am complying.

When I began my administration, I was asked to give a summary of the new development policy. At that time, I said: Economic results should be measured by jobs generated and general welfare, not by the profits of the big firms. We are certainly realizing these results.

I do not want to end my talk without making specific reference to the National Rehabilitation Plan's achievements, on which I reported last November. This year the National Rehabilitation Plan has been strengthened as an institution and in terms of budget. More than 100 billion pesos are planned for investments this year. The country's rural and marginal areas will receive the following benefits during 1988: road construction; land purchase, improvement, and titles; technical assistance to small producers and for agricultural produce marketing; more health and education services; more drainage and aqueduct systems; and special projects to attend immediately to communities' basic needs.

Fellow countrymen, as we have observed after this 3-day study, the country is progressing amid great difficulties. The difficulties stem from traditional social conflicts. Violence, terrorism, and crime have dealt harsh blows to our country's development. However, they have not stopped many citizens from heeding the government's call to rebuild the nation.

Municipal and Department officials who are part of the new generation have joined the social change process in their communities. These young people are more committed to the future than the past and have managed to revitalize their communities. They will be leaders in social progress.

We begin this year with healthy optimism because of all we have achieved in generating jobs and in social security, housing, public services, communication, education, recreation, and basic products production. Together we are creating better living conditions for the poor without stopping our economic growth. Quite the contrary, last year we attained a level of growth greater than in all previous years. This time the benefits have been felt by many Colombians and by wider and poorer sectors of the population. You are contributing to this growth when you start new productive activities, when you participate with your neighbors in community activities, and especially when you defeat the apathy created by comfortable but useless negativism.

The government is fulfilling its social program to fight poverty with actions one can appreciate. It will continue to do so with increasingly ambitious goals. In recent days I have studied with you many figures, programs, and actions. However, as I stated in my first speech citizens all over Colombia should be able to know what this administration is doing and what it has achieved. Social change is progressing despite the lack of sensibility, lack of understanding, and obstructions of a few who wrongly believe their interests and privileges might be hindered. We are achieving social change with liberal programs, and we are doing so quickly. However, we will go faster with your cooperation. We will attain a more just, balanced, peaceful, and hardworking society with the opportunity to lead a dignified life and expect a better future for our families. Good night.

Ecuador

Borja Feels 'Certain' of Winning Election

PA251422 Madrid EFE in Spanish 1234 GMT 22 Jan 88

[Excerpts] Quito, 21 Jan (EFE)—Rodrigo Borja, Ecuadoran presidential candidate for the social democratic Democratic Left (ID), feels most certain he will win the 31 January elections. This is the third election Borja has participated in, after unsuccessful campaigns in 1979 and 1984.

Socialist International (IS) Vice President Borja, together with other distinguished international politicians, including Felipe Gonzalez, has based his campaign on demanding the "useful" vote of the center-leftist majority, competing with Sixto Duran Ballen, a candidate Borja accuses of representing a continuation of the current administration. [passage omitted]

Borja's 1988 campaign slogan focuses on identifying the right wing with the Social Christian faction and implementing a social policy favoring the country's poorest sectors. Of Ecuador's 10 million inhabitants, 4.6 million have the right to vote.

Regarding foreign policy, Borja acknowledges the need to pay the estimated $9-billion foreign debt only if the country's internal development allows it.

The "honesty" of his future government as compared to the "dishonesty" of the present one is the key to Borja's campaign, which according to a "Data Center" ("CEDATOS") study, has cost 518 million sucres ($2 million), second only to Duran Ballen of the Social Christian Party.

A second election will be held on 8 May if none of the candidates gets more than 50 percent of the vote. According to the polls, Borja ranks first with an average of 20 percent of the vote, although this percentage jumps to 27 percent in Quito.

Borja and his running mate, Social Democrat Luis Parodi, have the support of the small Democratic Party (PD), whose candidates for the other 1,442 posts head the joint lists.

Candidate's Family Reports Criminal Attacks

PA230118 Quito Radio Quito in Spanish 2300 GMT 22 Jan 88

[Text] Abdala Bucaram, presidential candidate for the Ecuadoran Roldocista Party, and his sister Elsa were criminally attacked in central Guasmo, Jacobo Bucaram Ortiz, national deputy candidate for the same party, announced in Guayaquil today.

During the attack, Gustavo Bucaram, brother of the Roldocista leader, was wounded with buckshot. A vehicle owned by the Bucaram family was also fired at with buckshot, Jacobo Bucaram said.

[Begin Jacobo Bucaram recording] Two attacks on the lives of Roldocista Party candidates have occurred. One happened on Sunday against Attorney Elsa Bucaram while she was campaigning in central Guasmo in Oro Province. Evidence of the attack can be seen on a vehicle belonging to Attorney Arturo Gamboa, also a Roldocista Party candidate. His vehicle was shot at in an attempt to murder him.

Prior to this, there was an attempt made against the life of Attorney Abdala Bucaram Ortiz. Our youngest brother, Gustavo Bucaram Ortiz, threw himself between the assassin's pellets and Abdala Bucaram; Gustavo is now confined to bed, with more than 30 pellets lodged in his body. He is at the [name indistinct] clinic. I invite you to confirm that these incidents took place, attacks against a people's party, against a people's candidate, by those who already feel they have lost, by those who yesterday murdered German Zambrano, Mauro [name indistinct], by those who yesterday murdered Marta Bucaram and Jaime Roldos.

No buckshot or vehicles can stop ideas or the euphoria of the people who, on 31 January, will go to the polls. The Ecuadoran people will avenge our brothers' blood when they vote against the oligarchy's representatives. [end recording]

Finance Minister Announces Debt Refinancing

PA222140 Quito Voz de los Andes in Spanish 1200 GMT 22 Jan 88

[Text] Ecuador has renegotiated more than $270 million of its foreign debt with the Paris Club, Ecuadoran Finance Minister Eduardo Cabezas has announced in Quito. Ecuador, with a total foreign debt of more than $9 billion, renegotiated approximately $5.5 billion of its foreign debt with commercial banks last year.

Cabezas said the renegotiation with the Paris Club had been highly satisfactory, and that it dealt with both the $149.9 million from the previous loan that had not been refinanced and the $124.5 million from a loan that had been previously refinanced.

Two Guerrilla Groups Seize Radio Stations

PA252358 Paris AFP in Spanish 1439 GMT 25 Jan 88

[Text] Quito, 25 Jan (AFP)—At daybreak today, urban commandos of the Ecuadoran subversive groups Alfaro Lives, Dammit (AVC) and Free Homeland Montoneras (MPL), forced at gunpoint at least two radio stations in this capital to broadcast announcements, radio reporters confirmed.

The subversives also distributed communiques to other media, including international agencies, in which they affirm that they took over 10 stations in 6 cities throughout the country.

Briefs

Oil Exploration Plans

Ecuadoran Energy and Mines Minister Fernando Santos Alvite has announced that the government will invest $150 million in oil exploration during 1988. He added that 19 oil wells will be drilled this year by foreign companies and the Ecuadoran State Petroleum Corporation. [Summary] *[Quito Voz de los Andes in Spanish 1200 GMT 22 Jan 88 PA]*

Paraguay

Bishops Issue Document on Current Situation

PY161627 Asuncion SENDERO in Spanish 15 Jan 88 pp 8, 9

[Text] Introduction [subhead]

As we have done on many other occasions, the Paraguayan bishops herewith address the faithful of our parish and all people of good will in our country. We do this to wish everybody a year full of blessings. We also address the people to share with them some thoughts and reflections on the current situation of the nation and to talk about a particularly important event: the elections slated for February 1988.

We understand that our mission as church pastors is to evangelize. But we do not believe our mission can be adequately fulfilled if we forget our national reality and become insensitive to the problems and concerns of our people, particularly when dealing with moral issues. We, therefore, believe it is our responsibility to raise our voice and illuminate our national life with Christ's doctrine to help ensure civilized coexistence among our people.

1. The National Scene [subhead]

From the point of view of an objective observer, our national scene is made up of many factors. Many of these factors are bright and many are dark, but they must all be interpreted according to some basic criteria. We herewith offer our view of the situation based on this principle, and with the understanding that they are outlined by the daily experience of the church, whose bishops, priests, and preachers share their life with the Paraguayan people. These experiences encourage us to mention some elements to induce people's reflection.

(a) The Human Being

The individual should be the center of the concerns of the nation. To grant human beings the importance they deserve involves recognizing their values, respecting and promoting their rights, making indispensable services available to them, and considering them the objective of the socioeconomic and cultural development of the country. This reality is more important for the faithful or religious person because he believes that all human beings are children of God. Therefore, together with Pope John Paul II, we say: "All church efforts are on behalf of mankind."

It hurts us to see that our reality is not identified with these principles. Here human beings are not attributed these values at the personal or social levels. We have become accustomed to granting greater importance to idols and other values. In 1979, we warned about the importance our people were giving to the idols of pleasure, power, and possession of material goods. There were symptoms of a moral decay then that are now on the increase.

The systematic destruction of the moral conscience by the practice of servility, corruption, and violence, and the repression and suppression of all independent social

organizations indicate there is a process of decomposition of the Paraguayan character that hurts and preoccupies the honest conscience of the country.

(b) Moral Values

The gradual loss of the traditional moral values of Paraguayans is a sad and regrettable fact. The nobility and truthfulness of people's words, their austerity and tireless capacity for hard work, and their generous hospitality, among others, were virtues characteristic of our people. Today, other values determine and orient people's lives. Servile loyalty is considered more important than the objective truth or simply doing good. Order is valued more than respect for justice. There is an attempt to eliminate truthful and honest criticism and promote instead submission and silence to avoid all kinds of questioning. Even the voice demanding love for fellow men as a precondition for a true peace is despised as subversive.

The younger generations watch in astonishment the pursuit of power by some individuals who are only trying to satisfy their own egotistical ambitions. They see the laws being manipulated with absolute disdain for justice, and the common people are not protected. They witness the proliferation of crimes for which the criminals are not punished just because they are friends of important people, or fellow party members. The material achievements and the newly inaugurated public projects, which are well-known to all, do not compensate for these negative deeds. The moral values that make it possible to live in friendly harmony and civilized coexistence despite disagreements cannot be replaced by projects and material achievements, which constant propaganda insists are the basis for peace and progress.

Almost 2 years have elapsed since the church called for a frank and earnest national dialogue that might enable Paraguayans to restore their already deteriorated coexistence. Despite church efforts and the generous response of several sectors, especially the Paraguayan youth, we regret to confirm that the evils threatening our country have become worse. In April 1986, we regretfully noted constant disunity and an increasing number of clashes. The year 1987 showed us that we have reached the point where physical violence can no longer be denied or justified.

It is true that in several Paraguayans we detect noble aspirations and a strong determination to change. It is also true that some personal and social virtues still exist. For this reason, our analysis of the national situation does not lead us to bitterness or hopelessness. This analysis, however, gives us reasons for concern and forces us to call on our countrymen to change the destiny of our country and to apply vigorous solutions to the serious problems currently affecting the country.

2. The February 1988 Elections [subhead]

It would be naive to believe that mere elections can change this scenario. It would also be unfair to blame only a certain group or a certain period of our history for the current situation. In our second message on the national dialogue, we bishops explained our way of looking at this situation. Today we want to recall that in order to comment on the 14 February elections, we must take all details of the national situation into consideration.

(a) Everyone Should Contribute To the Common Good

All citizens have the duty to contribute to the common good. This is a fundamental principle of church doctrine. No one can be excluded from this task.

There are several forms of expressing onself politically: participating in elections, voting, being active in political parties, etc. Citizens must be able to exercise their basic rights so that any form of participation will be valid. The right to express oneself by voicing an opinion, protesting, participating, or making proposals is one of these forms of participation. These basic principles, along with other factors, should be taken into account in order to assign the elections the necessary importance.

(b) Citizens' Rights and Duties

Every citizen has rights and duties that should be respected. To participate in the elections is a right as well as a duty. The following conditions are necessary in order to be able to talk about democratic elections: freedom to establish political parties should be fully respected, valid and legitimate alternatives in the search for well-being should be offered, freedom to present proposals and programs during the electoral campaigns should be guaranteed, and political parties should be allowed to effectively supervise the elections and vote counting.

These are some of the people's rights and duties, and are elements that lend credibility to the elections and strengthen the nation's democratic life.

(c) Some Specific Points

We deem it necessary to recall that elections do not bring democracy. However, when the elections offer the people alternatives, they make the establishment of a democratic government possible. Every election certainly must be responsive to the demands of a democratic system.

We are worried because the following principles are being ignored and rejected:

—Each citizen must act according to his conscience, and his decisions must be respected as long as they do not harm the community.

—These decisions not only imply the right to elect from among several candidates but also to submit blank ballots when none of these candidates deserve the people's trust or support.

The Painful National Experience [subhead]

One must admit that Paraguayans have had many negative experiences in this regard, but we must also point out, assuming full responsibility, that so far the process implemented by the political parties to nominate candidates has not been an example of democracy. This is the reason for the marked skepticism and indifference toward the final stage of the electoral campaign.

The man on the street believes that everything has been arranged to keep things as they are and that the elections scheduled for 14 February will be a meaningless formality.

We think that the supporters and opponents of the various political factions share the responsibility and the blame for the situation. It seems that the leaders are more interested in personal or partisan victories than in the well-being of the country. At the same time, we hasten to admit that the bishops also have a share of the responsibility and the blame.

We probably could, and should, have preached more on the need for a responsible civic education and for respect for political pluralism; on the need to stop the repression against the opposition parties, to urgently avoid the use of state resources to benefit a single party, and to enhance and promote political tolerance. However, we want to make it clear that citizens cannot remain indifferent in the face of important political events. Criticism is not enough, and even less desirable is the withdrawal that is sometimes justified by the corrupt national political system. It is necessary to begin a new stage. Once more, we reaffirm our rejection of all kinds of violence, because it is unfair, anti-Christian, and a source of greater injustices. Neither do we believe in quick and easy approaches. The entire mentality has to change in order to draw up the laws that will lead to the implementation of a real and effective democratic system.

We also believe that we must appeal to the conscience of the political leaders and of those who rule the country. If it is true that all citizens are responsible, then there is no doubt that authorities and political leaders have more responsibility than the common citizen. We urge them to rid themselves of personal resentment and selfish interests which shock the people and mock coexistence. We urge a new approach to politics through respect and harmony for the good of the country, taking into account the judgment of future generations.

Our Final Word [subhead]

A few days ago, we celebrated the birth of Jesus and this event showed us how God became a man to rescue us from sin and death. Christmas renewed our hopes for a better future, which was announced by the angels in Bethelem that first Christmas night.

We believe in God's permanent call to all men of good will and in the ability of we Paraguayans to answer it. We call for reflection and prayers and for the urgent implementation of initiatives that could assure peace and overall development for our country, a peace based on justice and love, a peace that all of us need, a peace we desire for all our fellow countrymen and for all those who share with us the task of building, with the grace of God, a new Paraguay.

Dated: 6 January 1988

Signed: Ismael Rolon, bishop of Asuncion and president of the Paraguayan Episcopal Conference; Felipe Santiago Benitez, bishop of Villarrica and vice president of the Paraguayan Episcopal Conference; Anibal Maricevich, bishop of Concepcion; Claudio Silvero, bishop of Coronel Oviedo; Carlos M. Villalba, bishop of San Juan Bautista de las Misiones; Celso Yegros Estigarribia, bishop of Carapegua; Lucio Alfert, apostolic vicar of Pilcomayo; Pastor Cuquejo, auxiliary bishop of Asuncion; Reverend Father Christian Bigault, vicar delegate of Alto Paraguay; Demetrio Aquino, bishop of Caacupe; Oscar Paez Garcete, bishop of San Pedro Apostol; Mario M. Medina, bishop of Benjamin Aceval; Agustin Van Aaken, prelate bishop of Alto Parana; Sebelio Peralta, auxiliary bishop of Villarrico del Espiritu Santo; Reverend Father Ramon J. Mayans, acting chaplain.

By order of the plenum. Jorge Livieres Banks, prelate bishop of Encarnacion and secretary general of the Paraguayan Episcopal Conference.

Peru

Garcia on Popular Cooperation Dissolution

PA242316 Lima Television Peruana in Spanish 0100 GMT 21 Jan 88

[Text] President Alan Garcia met with a group of provincial mayors at the government palace this afternoon to announce he will submit to the second period of congress special sessions a bill to dissolve the national system of popular cooperation, and transfer its properties, resources, and personnel to the municipalities. The president asked the mayors to assume their historic responsibility and administer and guard the system of popular cooperation's properties and resources for the benefit of the country's most remote communities. He said that although popular cooperation will disappear after fulfilling an important mission over the past 25 years, community and fraternal work among all Peruvians will not disappear.

[Begin recording] We are not changing a policy that we welcome; instead, we are trying to leave behind a stage that has carried out and exerted its role, ideas, and efforts for 25 years. Municipal life has matured, and the municipalities have large expenditures and administrative capacity. We consider a national system unnecessary, and we want to recover what Murra [not further identified] pointed out about the work at the source, which is where the cooperative work was carried out.

I have greater confidence in those elected by the people than those bureaucrats I can appoint. I have more confidence in grass-roots democracy than appointed government officials. [applause]

I wanted to tell you, companeros mayors—I say dear companeros, because there are several provincial mayors who have fortunately attended this hurried meeting—that this meeting's objectives include: First, telling you that our objective is decentralization, and we are heading toward regionalization. Second, introducing you to companero engineer Lanata, chief of the Planning Institute, one of the great promoters of decentralization, and chief of popular cooperation. We introduce you to them and the officials who know what popular cooperation has done in every department and district and how this can be transferred until the law is approved. I trust that the leftist mayors, those of the PPC [Popular Christian Party], the AP [Popular Action], and especially the mayors of my party, know their historic responsibility. In addition, after such a decision, they should more strongly urge the people to perform patriotic community work. I am certain of this.

What I do want to ask of you is that the country come first. This is an important—if not the most important—task Now that popular cooperation will be managed by the municipalities, it will be managed honestly. There are many people without income, many people without jobs, and many people who have part-time jobs and need supplemental income. We have some money for community work; however, these funds should be used according to the mayors' judgment. What I do ask of all of you, whatever your political color may be, is that a poor person be seen as such—without political party or political color. I ask that jobless persons be just that—not a member of the APRA, the left, the AP, or any other political party—just a jobless person.

I am certain we are going to improve the country in this respect when mayors manage it. It means new responsibility, and I am certain you will be up to this new responsibility. I am certain that whoever follows you will also be up to it, and that this process will help to strengthen and improve our people's historical development with the regionalization of all expenses.

I thank you for coming, and I encourage you to continue working and to use efficiently the new resources that will gradually be transferred to serve the people. Thank you. [applause] [end recording]

President Assesses Work at Nuclear Plant

PA222201 Lima Television Peruana in Spanish 1200 GMT 18 Jan 88

[Interview with President Alan Garcia Perez by unidentified reporters after an inspection visit to the Huarangal nuclear plant—recorded]

[Text] [Announcer] At noon yesterday, President Garcia visited the installations of the Huarangal nuclear plant. He also inspected the work being done at the containment building, which has a capacity of 10 megawatts. Garcia was accompanied by Energy and Mines Minister Abel Salinas and top officials of the Peruvian Institute of Nuclear Energy.

[Reporter] Mr President, why did you come here?

[Garcia] I came to learn about the progress of this very important national project. The Huarangal nuclear reactor will allow us to produce isotopes and radioactive material for research and medicine and for the possible future preservative treatment of vegetable and animal products.

[Reporter] When will it be inaugurated?

[Garcia] I was looking at the progress that has been made. I was at the core. I saw how the core is shielded and the decay tank [tanque de decaimiento] is blocked. Engineer Lamerisio explained to me that the fuel materials are placed in this core. The materials are activated through already radioactive charges or some sort of chemical product that activates the fission and production of neutrons here in the uranium rods. Here in this tank are some aluminum safety rods. Should there be too much heat or an overproduction of neutrons, these rods drop immediately to absorb the neutrons. Also, the materials we want to enrich with neutrons are introduced through a lattice. Later, those neutrons are transferred to the radioisotopes and other products used to treat cancer or preserve vegetable products.

Progress is slow but sure, as should be the case with this type of work. I have seen that in a few days the area where the decay tank is located will be closed. I was told the reactor will be filled with water. Water cools the production of neutrons and the radioactive activation of elements. I think we will inaugurate this project in May.

[Reporter] Mr President, can you tell us how the Argentine Government cooperated?

[Garcia] We are now on the threshold of a historic step primarily as a result of technological and financial cooperation from the Argentine Government. My friend, President Raul Alfonsin, has decisively promoted this cooperation. Our country could not have remained behind in these matters. As the human race and the most advanced countries have already mastered this field,

Peru had to take a decisive step. The scope, the monumental architectural structure and technological importance, of this project show that our country is advancing. I hope that in May we are able to say we have joined the peaceful and research purposes of the nuclear age.

[Reporter] The developments in Argentina are certainly worrisome for Latin America. How do you feel about them?

[Garcia] I think these are occupational hazards. Every country has its problems. We have ours, although they are not like Argentina's. They do not involve rebellion or disobedience. We have social and political problems. An international poll once indicated that we were the most pessimistic country in the world. According to a news agency, a poll of 28 countries revealed this. We have our problems, and Argentina has its problems. In Argentina, a long era of military dictatorship has ended. The dictatorship violated human rights and committed a type of genocide, especially against the radical youth of that sister republic. Alfonsin's democratic government took truly admirable steps to restore democracy and impose sanctions. We have always let bygones be bygones and forgotten the dishonest actions and human rights violations of dictatorial regimes. Alfonsin has instituted a new policy, and it has provoked a reaction. Some people who wear a uniform feel they cannot be controlled and are not obliged to accept and obey the will of the people and the government. I think these actions are throwbacks and death throes and that my very dear friend, President Alfonsin, is in complete control.

[Reporter] [Question indistinct]

[Garcia] I spoke with him once to express my support. However, this time there was no significant result.

Authorities Arrest 3d-Ranking MRTA Leader

PA251355 Lima Television Peruana in Spanish 1235 GMT 25 Jan 88

[Text] We have received a report from Tarapoto: The third-ranking leader of the MRTA [Tupac Amaru Revolutionary Movement], following Commander Rolando in the rebel ranks, has been arrested by the political-military command in the emergency zone during an operation in Suche neighborhood in the city of Tarapoto. Unofficial sources have reported that 30-year-old Cisnero Garcia Torres was identified by police as the third-ranking MRTA leader by his fingerprints and pictures. Based on evidence found in other police raids, it was ascertained that this is the most important man arrested so far by the police through the DIRCOTE [Directorate Against Terrorism].

Police Seize Quantity of Explosives Near Lima

PA221919 Lima Television Peruana in Spanish 1200 GMT 22 Jan 88

[Text] A police patrol in charge of safeguarding power installations has dismantled a terrorist plan to blow up five electric towers in an area known as Valle Seco, between Camote, Fortillo, and Caraponga hills near Cajamarquilla.

Policemen patrolling the Mantaro power lines detected five abandoned bags containing large quantities of explosives, including 35 kg of dynamite, [words indistinct], 40 electric detonators, 30 meters of safety fuse, 25 pyrotechnical detonators, and electric batteries.

No arrests were reported, but the subversives' plan was to leave Lima in the dark, a plan frustrated by the police.

Venezuela

Ciliberto Meets Colombian Interior Minister

PA230500 Caracas Television Service in Spanish 1600 GMT 22 Jan 88

[Text] The interior ministers of Colombia and Venezuela held a meeting in San Antonio del Tachira. Three important agreements were reached: to fight terrorism, to increase the military presence at the border, and to increase cooperation. Our special envoys to that event—Armando Rangel, Orlando Hernandez, and Alexis Rosas—reported the following:

Venezuelan Interior Minister Jose Angel Ciliberto was accompanied by General Humberto Camejo Arias, Army Second Division commander based in Tachira; Dr Porfirio Valera, DISIP [Directorate of Intelligence and Prevention Service] director; Dr Pedro Arturo Torres Agudo, PTJ [Judicial Technical Police] director; Tachira State Governor Luisa Pacheco de Chacon; and Eleazar Cueto Rendon, PTJ director of investigations. Colombian Government Minister Cesar Gaviria was accompanied by Major General Ernesto Lopez Ramirez, Army second commander; Major General Farouk Yanine Diaz, commander of the Army's Second Division based in Bucaramanga; and Brigadier General Rafael Guillermo Munoz Sanabria.

Minister Ciliberto regarded the meeting as positive, because, among other things, they agreed to reactivate the existing agreement between the Colombian and Venezuelan defense ministers. This agreement was signed in February 1984, and established strong cooperation between both countries' Armed Forces stationed in the border areas and a substantial increase in military contingents from both countries in the Arauca border area and in the Colombian eastern plains. This will help in achieving victories in the fight against drug traffickers and guerrillas. A speedy increase in cooperation for intelligence operations between both countries' security forces was also agreed upon.

[Begin recording] [Ciliberto] We are immediately planning another meeting in Cucuta, which will begin the reactivation of the agreement signed by the Venezuelan and Colombian defense ministers.

[Reporter] You stated that the struggle against guerrillas largely depends on the situation in Colombia. In this sense, do you think this meeting has attained the goal you mentioned?

[Ciliberto] Of course, and I must applaud the willingness to cooperate as expressed by the Colombian government minister. We are all happy to say that the goal has been achieved. Colombian guerrillas are a reality that confronts us on this side of the border. [end recording]

Also, Colombian Government Minister Cesar Gaviria Trujillo noted that the meeting was very positive but could not confirm whether or not Luis Alejandro Mora Suarez, alias El Cabezon, Colombian rebel commander of FARC's 10th Front, died in a recent clash with Venezuelan Armed Forces. Gaviria stated that they will increase the Colombian military contingent at the border area.

[Begin recording] [Gaviria] The ministers can promise to arrange to have the necessary military troops available for these activities.

[Reporter] In light of the fact that three Venezuelans have been kidnapped in Colombian territory, do the agreements mention a complete, immediate offensive from Colombia and Venezuela in that area to try to end the problem?

[Gaviria] We do not really know if they have been kidnapped; this was information supplied by Venezuelan military intelligence. We have agreed that intelligence organizations of both countries should work more closely together to solve these kidnapping cases and possibly resolve them satisfactorily. This would help those kidnapped and also would help the institutional stability of both countries. [end recording]

In San Antonio del Tachira's National Guard Detachment 11, there was optimism because the meeting had been quite productive.

Colombian Envoy Reaffirms Cooperation
PA191526 Caracas EL NACIONAL in Spanish 8 Jan 88 p D-1

[Report by Jesus Eduardo Brando]

[Excerpt] The Colombian Government is willing to cooperate with Venezuela, unconditionally and without limits, in the struggle against crime in the border areas, it was asserted by Ambassador Pedro Gomez Borrero during the diplomatic corps' new year visit to the president at Miraflores Palace.

Ambassador Gomez said: The truth is that Colombia has always been willing to cooperate with the Venezuelan Government in the struggle against all kinds of crime, and this is naturally important in the border area. This is where the two nations' actions are essential to counter subversion, contraband, and drug trafficking, because there are many ways to break the law.

He added: The Colombian Government believes it is very important to achieve a better understanding with the Venezuelan security, intelligence, and Armed Forces members to render the two governments' actions more effective. This is particularly important in that zone, where it is easier for the criminals to break the laws and then seek—or try to seek—shelter across the border.

Gomez Borrero said: I believe it is particularly important—even urgent—to reach an agreement so the information systems become more effective and efficient in the struggle against drug trafficking. I mention this as a particularly important point, because it is well known that drug trafficking involves an international organization with enormous resources, and we need vast resources—plus a modern and efficient organization—to counter, overcome, and control those operations.

He was asked: Is there an agreement between the two governments to fight subversion and drug trafficking in the states of Tachira and Apure?

"The truth is that the Colombian and Venezuelan Armed Forces and intelligence organizations have been working on this for some time by mutual agrement."

Is there a request for greater cooperation... ?

Naturally. Crime has increased, so the two governments' actions must be strengthened. The agreement and our joint actions must become more effective. Our security organizations and Armed Forces have been working on this to reach an understanding. We believe, and the Venezuelan Government shares this belief, that our ministers of interior, defense, and—if it is necessary and convenient—our foreign ministers should meet to strengthen the political and governmental actions, and make these actions broader, more effective, and more thorough. [passage omitted]

Lusinchi Appoints Ministers, Caracas Governor
PA121817 Caracas Television Service in Spanish 0000 GMT 12 Jan 88

[Report by Martin Pacheco]

[Text] President Lusinchi has sworn in his new ministers and the new Caracas governor at the Miraflores Palace in Caracas. All cabinet members, representatives from the various sectors of the country, friends, and special guests attended the ceremony.

The new foreign minister is Dr German Nava Carrillo, who has extensive experience in the Foreign Ministry. He replaces Dr Simon Alberto Consalvi. Dr Wenceslao Mantilla, who has vast experience in the agricultural and livestock field, will replace Dr Felipe Gomez Alvarez at the Agriculture and Livestock Ministry. Dr Adolfo Ramirez Torres, former deputy interior relations minister, is the new governor of Caracas. He replaces Dr Miguel Angel Contreras Laguado. President Lusinchi

also appointed Dr Jose Francisco Sucre Figarella, president of the National Council of Culture, as the new culture minister. However, because the latter is out of the country on a diplomatic mission, he will be sworn in in the next few days. Following the reading of the decrees, President Lusinchi signed them. Ministers German Nava Carrillo, Wenceslao Mantilla, and Adolfo Ramirez Torres then signed the corresponding decrees. President Lusinchi noted the merits of each of the former and new ministers and pointed out the patriotic role, great intellectual capacity, and work of the former ministers. Lusinchi added that he was pleased about the changes, although he regrets the departures of these very good professionals and associates.

[Begin Lusinchi recording] In sum, I am very pleased with these changes, which will compensate for the sadness we feel at the departures of these very distinguished associates, who will now devote their time to political matters in their parties. As they are going to be in the Congress, the former ministers will not be unemployed. Thus, there is no need to worry about the unemployment statistics. Nevertheless, I can always count on their advice. Those who have replaced the ministers, and I in particular, will always need their wise political and intellectual advice. I am determined to have a government that works as a team. Those arriving and those leaving will continue to have the same responsibilities. Thank you very much. [applause] [end recording]

The new ministers and governor will take up their posts tomorrow at noon. On Wednesday, the ministers will be here, in Miraflores Palace, and will attend the second council of ministers of 1988.

Energy Minister Views Oil Budget, Potential

PA121521 Caracas Television Service in Spanish 0000 GMT 12 Jan 88

[Report by Marbella Molina; all figures as heard]

[Text] Venezuela's oil industry has earmarked 11 billion bolivares in its budget for exploration and drilling. The goal is to develop a production potential of 2.7 million barrels a day to obtain a high export level.

According to Energy and Mines Minister Arturo Hernandez Grisanti, of these 2.7 million barrels a day, 1.85 billion barrels will be used to produce light and medium crudes. This would enable us to have a privileged place among world oil producers.

[Begin Hernandez recording] Current conservative estimates, which have not been proved and are still hypotheses, state that there is a possibility oil reserves total more than 300 billion barrels. That is why we will have oil for a long time. In the 21st century, Venezuela will be among the countries with the highest potential for production. We can seriously say it might have the greatest production potential. Of course, a large percentage of that potential will be the heavy oil from the Orinoco oil strip. [end recording]

The energy and mines minister also announced that the overall budget of Venezuelan Petroleum, Inc, and its subsidiary companies totaled 26.968 billion bolivares. This is to continue the investment projects planned for this year. If the international oil market becomes stable in the next 12 months, a disbursement of 5 billion bolivares could be included in the budget as well as the 6.8 billion bolivares that could be necessary for operations of internationalization [operaciones de internacionalizacion]. Several of these operations are now under discussion. It is hoped that they may become a reality this year and that they will guarantee placement of 700,000 barrels of Venezuelan crude a day.

Also, here in this office, Deputy Energy and Mines Minister Julio Cesar Gill met with representatives from the Norwegian oil price board. He told them about the Venezuelan system of setting prices, the internationalization policies, the outlook of the international oil market, and his country's status within OPEC. The Norwegians, who have vast knowledge of the oil market, reiterated their government's policy to support OPEC policies for 6 more months. Although not an OPEC member, Norway has shown its solidarity with that organization for more than a year. Regarding Venezuela, they recognized that the policy of internationalization is correct.

Central Bank Head Delivers Year-End Statement

PA110309 Caracas EL NACIONAL in Spanish 31 Dec 87 p D-1

[By Amado Fuguet V.]

[Text] The construction industry, which grew by 15.8 percent in 1986, increased by only 2 percent this year. The domestic non-oil activities grew by 3.2 percent this year. This indicates a production slowdown because the growth rate last year was 5.2 percent.

These figures were included in the year-end statement delivered by Mauricio Garcia Araujo, president of the Central Bank of Venezuela [BCV], yesterday. For the first time, the year-end statement did not include the behavior of the oil sector. The statement, therefore, does not reflect changes in the GNP, which normally gives an overall view of the oil and non-oil related economic sectors. This is fundamental in a country whose basic product is hydrocarbons.

At any rate, the non-oil GNP showed a lower growth rate in every one of its sectors, with the exception of the commerce, restaurants, and hotels sector, which grew 3.6 percent. This sector increased by 2.8 percent last year.

According to the BCV, "the non-oil activities that produced internationally marketed goods profited from the December 1986 currency exchange rate. These activities grew at a rate higher than that estimated for the aggregate production. The sectors that produce goods and services for the local market grew less than the sectors that produce goods marketed abroad, albeit some services, such as restaurants and hotels, showed a very high growth rate (10.3 percent)."

With regard to the production of marketable goods, it has been estimated that the manufacturing industry grew by 3.7 percent. "This resulted not only from the currency exchange measures, but also from the execution of public expenditures programs which gave impetus to related branches, particularly those producing construction materials. The behavior of the manufacturing industry, on the aggregate level, was determined mostly by the production expansion of the manufacturing enterprises in the public sector. The activities that experienced the most growth were those related to the production of durable goods. This was in reaction to an anticipated demand for these goods caused by the year's inflationary expectations and by the relatively low cost of banking credit."

The agricultural sector maintained its growth, although at a lower rate (4.1 percent) than noted the year before. "The policy of incentives to producers continues to play a key role in this new growth. This policy consisted of remunerative prices and of maintaining the subsidies for agricultural loans, improving the physical infrastructure, and normalizing conditions for harvesting and storing crops. Favorable weather conditions during 1987 also helped. These factors resulted in a new expansion of the harvested areas and livestock production."

Regarding the production of goods and nontransferrable services, the BCV noted that there was an increase in construction, although at a much lower rate than the previous year. The increase can be explained by the expansion of public works, which include the projects of the triennial plan, because private construction projects went down.

"The product of the commerce and service sectors showed gains compatible with the overall behavior of the sectors that produced goods. It is worth noting that the restaurant and hotel sectors expanded."

"Consistent with the growth in GNP, the unemployment rate went down. According to figures by the Central Office of Statistics and Computer Science [OCEI], the unemployment rate at the end of 1987 was 8.5 percent, while it was 10.3 percent at the end of 1986. The sectors that generated the most jobs were those that experienced the highest production growth, such as the manufacturing, commerce, restaurant and hotel sectors. The construction industry had one of the biggest unemployment rates, although the number of workers in that sector grew during the year."

"Regarding wage compensation ordered by the Executive Branch at the beginning of this year, the salary increase for public employees covered those employees who did not receive a wage increase in 1986. Effective 1 May, a compensation bond was decreed. This entailed raises from 20 to 30 percent according to the pay scales."

The overall cost increases caused by the inflation of December 1986 and the wage measures issued early in the year caused an adjustment in price levels. This adjustment was seen in the sharp rise in the inflation rate. At the end of November the consumer price index (CPI) reached a cumulative scheduled increase of 34.7 percent, while in 1986 it was 12.7 percent. The increase in food, beverage, and tobacco prices, which was 50 percent in November 1987, had a significant impact on the CPI figures. Moreover, wholesale prices increased by 44.6 percent up to October. This was basically due to the 56-percent increase registered in the prices of imported goods. This figure confirms that the devaluation had a great impact on domestic prices.

Suriname

Heidweiller Comments on Foreign Policy

FL222002 Paramaribo International Service in English 1730 GMT 22 Jan 88

[Interview with Surinamese Foreign Minister Henk Heidweiller by News Editor (Chandra Van Binendake); date and place not given—recorded]

[Text] [(Van Binendake)] Suriname has not yet taken a stand on the issue of the recent elections in Haiti. Foreign Minister Henk Heidweiller indicates in this interview the reasons why.

He also speaks about his foreign policy and the principles that underlie this policy. But first Minister Heidweiller on the Haitian question.

[Heidweiller] Well, I tend to be (?pretty) careful because our Surinamese experience has taught us to be careful. We have been plagued so much during the last 7 years by outsiders who tried to preach how we should behave and, especially with my Dutch friends, that I want Suriname to avoid making such a mistake. I don't want to create the impression that we should teach the Haitian people and government how to act.

The details which were disclosed are too scattered. I would rather wait and consider this matter more thoroughly in order to make judgment.

Maybe it's true that only 5 or 10 percent of the population have participated in the elections. I would say then we should learn to talk in a careful way with the Haitian leaders in order to move them towards a new reelections more broadly-supported by the population.

[(Van Binendake)] After Sunday's elections in Haiti, remarks have been made in the region and people have compared the elections in Haiti with those in Suriname and in that respect, remarks have been made also about what countries have observer status in Caricom.

Do you think that after the referendum and the elections in Suriname, the time is right now for full membership of Suriname in Caricom?

[Heidweiller] Yes, I would say so, yes, indeed. We have consistently tried to become an observer to Caricom but we were always stopped by a lack of understanding on the part of our Caribbean sister countries.

During a lunch offered to the Caribbean countries in Caracas a few months ago by the foreign minister of Trinidad and Tobago, I pointed out that we in Suriname had been much, very much concerned about the lack of understanding on the Surinamese problems.

I said during my speech that during the last 7, 8 years we had to stand up sometimes against the Americans who thought, mistakenly so, very much mistakenly so, that we were on the verge of establishing a second Cuba. We had to stand up against the French when French Guiana became a refuge for the terrorists who are now operating in our country. And, of course, we had to stand up against our former colonial master, the Dutch. And during our lonely (?participation) we did not meet with any compassion, any generosity, any understanding for our own problems and for our striving to reestablish a true democracy.

I am sure that I'm very much grateful that the winds which are now blowing in the Caribbean toward Suriname are now changing. I am very much, I am very happy with this phenomena.

[(Van Binendake)] The foreign minister hopes that Suriname's relations in the Caribbean will be strengthened but in this region one cannot leave out what the biggest nation in this hemisphere—the United States of America—thinks and does.

On the eve of the election of Suriname's executive president, the U.S. State Department issued a statement saying U.S. officials see an era of improved relations between the two countries and also mentioned the possibility of resuming their development aid to Suriname.

We asked Foreign Minister Heidweiller to comment on this.

[Heidweiller] I would welcome the improvement of relations with Washington, which have already started, for historical reasons.

We have always been good friends with the North Americans and we are great admirers of certain of their political principles regarding freedom.

On the other hand, we should always try to avoid that America considers Suriname as a part of their backyard in which they can determine the policy of Suriname with their yardstick. We should always avoid that.

I told the American authorities during my last trip that *the Americans should, as soon as possible,* resume the development cooperation in Suriname and, most of all, the Americans should not repeat its standard policy in judging and evaluating Suriname through the glasses of the Dutch. I told them this is very humiliating. In American principle, we are entitled to a direct relationship as an American nation, which the [words indistinct], not an American state.

[(Van Binendake)] You have just listened to an interview with Foreign Minister Henk Heidweiller. It was [words indistinct] on the conceptions of Suriname's foreign policy which, in his opinion, should be based on national dignity and the sovereignty of this country.

Just before (?concluding) his ministerial period, Heidweiller expressed the hope that his successor will continue to develop Suriname's relations with the international community.

Caricom Sends Message Congratulating Shankar

FL221929 Paramaribo International Service in English 1730 GMT 22 Jan 88

[Text] The Caricom grouping says it's looking forward to strengthening relations with Suriname under the country's newly democratically-elected government.

The sentiments were expressed by Caricom's Chairman, St Lucia's Prime Minister John Compton, in a congratulatory message to Surinamese President Ramshewak Shankar, who begins a 5-year term on Monday.

Mr Compton says that Caricom was pleased to learn of the successful conduct of elections last November 25th, which paved the way for the restoration of elected democracy after 7 years of military rule.

The message says: We look forward to cooperating positively in the future with the government and people of Suriname in strengthening the relations that already exist between your country and the Caribbean Community and we sincerely wish for the Surinamese society prosperity and increased well-being under your leadership.

Shankar, Aaron End Talks on New Government

FL221918 Paramaribo International Service in English 1730 GMT 22 Jan 88

[Text] Today President-elect Shankar and Vice President-elect Henck Arron have concluded a series of talks with [word indistinct] groups in our society.

This morning talks were held with, among others, the military authority and the leaders of the various groups in the interior.

The confrontations, which lasted for 1 week involving some 60 functional groups, will serve as the basis for the drafting of the program for the new government which is due to be installed on Tuesday.

This afternoon, the president and vice president-elect held a news conference to report on the results of the talks.

Also this morning, the outgoing council of [word indistinct] held its final meeting.

Shankar Plans Departmental Restructuring

FL252022 Paramaribo International Service in English 1730 GMT 25 Jan 88

[Text] President Shankar, at his press conference last Friday, said there will be restructuring at the level of departmental decisions. The Ministry of Army and Police will become the Ministry of Army under the new plan. The police will now come under another ministry. Further, there will no longer be a Ministry of Sports and Youth Affairs, as this portfolio will now fall under another ministry. It is also expected that there will be a change in the name of the Ministry of Internal Affairs, District Administration, and People's Mobilization, but a decision has not yet been taken.

Arron Says Talks With Military Satisfactory

FL252037 Paramaribo International Service in English 1730 GMT 25 Jan 88

[Text] The Brunswijk issue must be dealt with cleverly and with love. This was stated by Vice President Henck Arron during a press conference last Friday. He said before the matter could be dealt with in a concrete way, the new government must be formed.

Arron said that the 3-hour discussions Friday morning among the president, vice president, and the military authority had been satisfactory with all parties putting the national interest in the forefront. Vice President Arron emphasized that the new government will be a clean one, and added that mechanisms will be put into place to eradicate corruption.

Military To Give Government Every Opportunity

FL252100 Paramaribo International Service in English 1730 GMT 25 Jan 88

[Text] Commander Bouterse on Friday night held a farewell reception in the name of the military authority. Present were members of the Top Deliberating Council, the outgoing government, and the dialogue partners. I want to thank you for assisting and bringing about what we had intended when the (?Ramdat) cabinet was installed, the commander said in a speech. In the cooperation there has been both a bright and a dark side, but if history is to be written in an honest manner, the right context will be clear, said Bouterse.

He assured the speaker of the National Assembly, Jaggernath Lachmon, that the military authority and the friends of the Surinamese people will give the new government all opportunity to give substance to the people's wish.